

April 13, 2015

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Re: Integra-ID™ 5 MBIS Upgrade Budgetary Proposal

Dear Director Perfetti,

NEC Corporation of America (NEC) is pleased to submit this budgetary proposal to Chicago Police Department (CPD) for an upgrade to the Integra-ID 5 Multimodal Biometric Identification System (MBIS) and Archive platform. Integra-ID 5 represents NEC's latest biometric identification solution platform, combining its best-in-class fingerprint matching technology, an open Service Oriented Architecture (SOA) built on commercial-off-the-shelf (COTS) hardware and software components for ease of future expansion.

NEC's solution is comprehensive, including complete legacy data migration and support for all existing CPD workflows and interfaces. We respectfully submit that this solution provides CPD with the best technology, best value, and lowest risk proposition for the replacement of the current AFIS. NEC will achieve this superior result by leveraging its unparalleled knowledge of the CPD and Illinois State Police (ISP) AFIS environments.

The proposed MBIS represents NEC's latest biometric identification solution platform, combining its world-leading fingerprint matching and facial recognition technology with dynamic and intuitive functional capabilities designed specifically for law enforcement and public safety stakeholders.

NEC's renewed culture of continuous improvement through innovation is equally applied to our ongoing enhancements in project development, delivery, and implementation processes adopted over the past 24 months. For example, the impact of such enhancements was demonstrated recently in the delivery of the Western Identification Network (WIN) MBIS (fingerprint plus facial recognition) and Archive solution, where this multi-jurisdictional (eight member states, plus California) criminal identification project is being implemented on time, on budget, and with genuine client delight.

With seven awards out of the last eight contested open procurements (i.e., RFPs), including Los Angeles County Sheriff's Department (MBIS), California Department of Justice (Image Repository and Facial Recognition System), Philadelphia Police Department (MBIS), Calgary Police Service (Facial Recognition Solution), Arizona Department of Transportation (Facial Recognition Solution), Western Identification Network (ABIS), and Bexar County Sheriff's Office (MBIS), the law enforcement/public safety marketplace has emphatically recognized that NEC's biometric identification solutions are leading this field.

Moreover, NEC has the requisite experience and expertise to deploy and support an *Identity as a Service (IDaaS)*-based solution delivery option. NEC is unique among Automated Fingerprint Identification System (AFIS) vendors, having invested resources and developed the required competencies for the provision of such solutions to state and local law enforcement agencies.

NEC NEC Corporation of America

NEC's service-based model is the most cost-effective approach to assist law-enforcement organizations with the implementation and maintenance of their modern biometric identification systems. It provides a commercial structure that will significantly reduce CPD's up-front capital expenditure in respect to its AFIS replacement.

With the IDaaS solution, NEC would own the hardware and software to be hosted at CPD, providing identification services for a monthly fee. NEC shall be responsible for all maintenance and system administration, supplying a contracted level of service that meets the needs of CPD within its law enforcement community.

In summary, NEC is pleased to propose the following two solution delivery models:

- **Option 1** – Traditional Integra-ID MBIS and Archive solution
- **Option 2** – Identity as a Service (IDaaS) MBIS and Archive solution

These two approaches are fully described in the following budgetary proposal.

CPD and NEC have worked together over the past 24 years to enhance the safety of the residents of the City of Chicago through the timely and accurate identification of criminals. NEC remains, as always, CPD's committed partner, focused on ensuring your success and supporting your continued passion for the safety and security of the residents of Chicago and Illinois.

We look forward to this next step in the evolution of our collaboration toward providing safer communities for the City of Chicago.

Should you have any questions, please contact Peter Sakkal, Sr. Account Manager, via phone at (613) 867-8030 or via email at peter.sakkal@necam.com.

Thank you, once again, for the opportunity to present this proposal for your review.

Sincerely,



Raffie Beroukhim
Vice President
Biometrics Solutions Division
NEC Corporation of America

Empowered by Innovation



An NEC Solution for

Chicago Police Department

Integra-ID™ 5 MBIS Upgrade Budgetary Proposal

Proposal Number 09042014.02

April 13, 2015



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1 EXECUTIVE SUMMARY

NEC Corporation of America (NEC) appreciates the opportunity to present the Chicago Police Department (CPD) with this budgetary proposal for an Integra-ID™ 5 Multimodal Biometric Identification System (MBIS) and Archive solution.



The Integra-ID 5 MBIS and Archive solution is an integral part of NEC's "Safer Cities" platform (depicted in Figure 1 below). Integra-ID is an open, interoperable solution that provides a central point to which all city services in the public safety universe are brought together, allowing CPD to better deliver its public safety mandate to the residents of Chicago and Illinois. By implementing the proposed Integra-ID MBIS platform, CPD will realize the full advantages of NEC's industry leading and NIST-proven accuracy advancements, resulting in more identifications, additional latent hits, and safer, more secure communities.

Figure 1: Solutions to Safeguard Cities



NEC's "Safer Cities" concept supports the convergence of the traditional Law Enforcement areas of biometric-based identity management and forensic investigation with video surveillance, security access control, and disaster management. Configured and augmented with the proper tools and subsystem components, such as NEC's Data Analytics, relevant information is compiled, analyzed, and presented to authorized agents through an advanced intelligence and information sharing engine.

For over two decades, CPD has partnered with NEC to provide reliable, effective, leading-edge identification services to the law enforcement agencies and residents of Chicago. NEC is pleased to offer two choices for an upgrade of the existing system. Both options will expand the current AFIS functionality to the Integra-ID™ 5 platform, the most modern Multimodal Biometric Identification System (MBIS) and Archive platform available on the market today.

The first upgrade path consists of a traditional agency acquired MBIS in a phased implementation:

- Phase 1 will upgrade the CPD Archive to the web-based Integra-ID ANSI/NIST and Document Archive.
- Phase 2 will expand on the Phase 1 upgrade by transitioning existing AFIS operations to the full Integra-ID 5 MBIS.

NEC is also uniquely able to offer CPD an upgrade path using Identification as a Service (IDaaS). In this model, NEC would manage the MBIS at a site identified by CPD. A smaller initial capital outlay would be required of CPD with a single monthly fee for services, putting the onus of system and hardware management on NEC.

We are confident you will conclude that we have proposed a best-in-class, fully-compliant solution, assembled by an experienced, talented team working within a customer-focused organization. In parallel, we have developed a comprehensive, safe, and secure migration plan to transition CPD to the new technology platform.

1.1 Proposed Integra-ID 5 MBIS Solution Design

The proposed Integra-ID 5 MBIS is fully deployed on standard commercial-off-the-shelf (COTS) servers, storage, and workstations, and utilizes NEC's standard Integra-ID application components. As a Service-Oriented Architecture (SOA) modular component platform, the system allows for the easy addition, update, or replacement of applications, workflows, interfaces, and biometric matching components. It will provide standard interfaces accepting ANSI/NIST formatted records, allowing for integration of third-party applications.

Best-in-class identification with seamless interoperability at your fingertips.

The MBIS will provide for seamless integration with CPD's current CJIS enterprise, including CCH, Livescan, and FBI system integration. Benefits of the Integra-ID MBIS solution include:

- **High Availability Configuration** – NEC's system utilizes a high availability configuration, ensuring there is no single point of failure in the hardware and software subsystems.
- **Virtualization** – NEC is leveraging hardware virtualization for key server components. This means that software service and applications can be balanced across the hardware platforms to ensure maximum system utilization. Additionally, hardware upgrades do not require the full installation and configuration of the software components, just the migration of the virtual process from one host server to another.
- **Remote Management Services (RMS)** – NEC performs remote management through our Network Operations Center (NOC), which provides 24-hour, real-time monitoring. The RMS package gives NEC the ability to provide a number of different monitoring/diagnostic tools and resources that are used as part of the overall check for system integrity.

The MBIS was designed with NEC's latest technology offerings in mind and readily supports future biometric modalities, including NEC's NeoFace Reveal facial identification system.

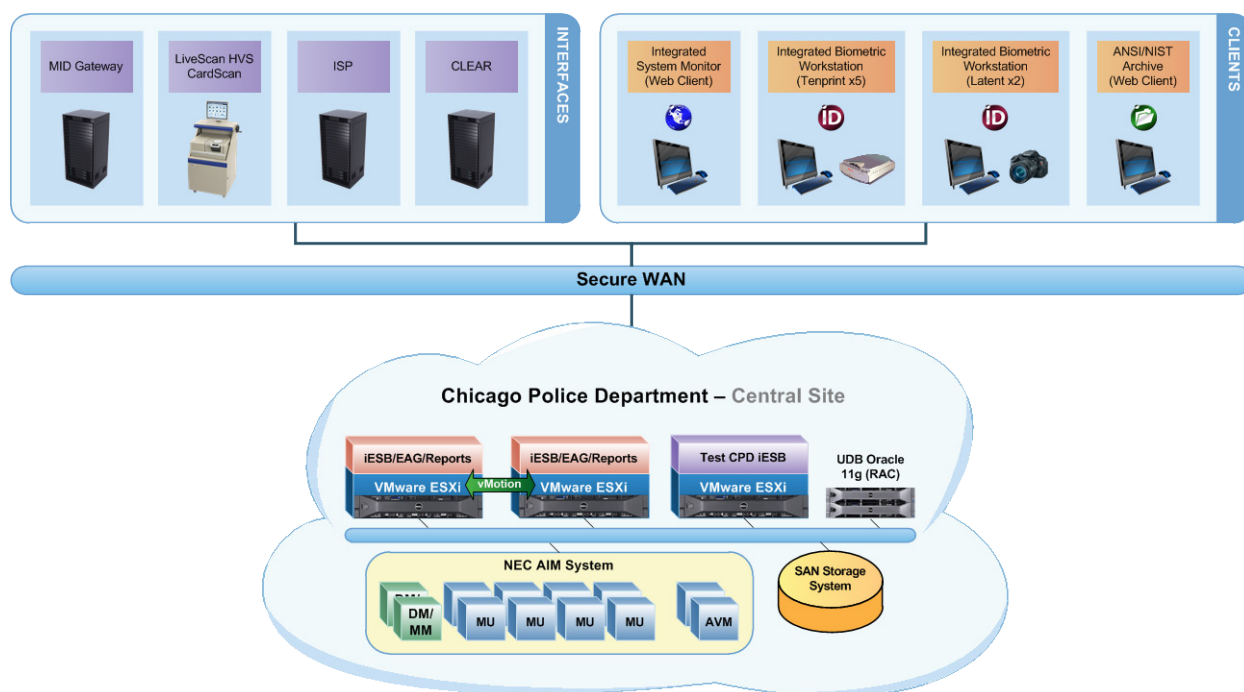
1.2 Leading-Edge Biometric Technology

In this upgrade plan, you will find that NEC has captured your requirements, and in several critical areas, exceeded them. We have proposed implementation of a solution in adherence to the latest FBI Electronic Biometric Transmission Standard (EBTS) version 10, 1000 ppi resolution, business continuity, and provision for future biometric modalities, as well as industry-leading products delivering built-in protection of technology investments.

Specifically, we are applying our expertise in cloud and managed services to biometric identification and have placed the Service-Oriented Architecture (SOA)-based CPD MBIS solution on a private, secure cloud. Cloud computing is a framework wherein resources (e.g., matching horsepower, additional modalities, storage, applications, and services) can be rapidly deployed with minimal management effort or service provider interaction. Revolutionary in the field of biometrics, cloud computing represents a major change in how data (fingerprints, palmprints, face, text) is stored and applications (MBIS) are run.

Achieving CPD's desired goals requires geographic distribution, scalability, resiliency, service orientation, and advanced security technologies. Only an SOA-based MBIS on a cloud platform can meet all of these requirements. Using this platform enables us to provide you with better managed services (monitoring, managing, problem resolution) and improved performance (peak workload demands, backup, and security) at a lower cost. Compared to other solutions, this SOA cloud-based platform enables NEC to exceed the critical availability and reliability demands of standard MBIS service levels. A high-level depiction of our CPD MBIS solution is illustrated in Figure 2 below.

Figure 2: CPD MBIS Solution Overview



NEC's solution also provides greater agility to rapidly respond to CPD's emerging business priorities and demands, such as disaster recovery and business continuity needs, new workload requirements (e.g., mobile handheld devices) or additions of new biometrics modalities. In respect to the key consideration for future-proofing CPD's technology investments, any other solution will fall short of CPD's expectations.

1.3 Lowest Risk, Secure Transition

Our most unique advantage comes from our in-depth knowledge of CPD's legacy system and interfaces. Through multiple, successful technology transitions and migrations, NEC has developed the requisite experience, uniquely qualifying us to safely and securely transition CPD to the new MBIS. We can ensure system interoperability and seamless integration with the Illinois State Police (ISP) and FBI Next Generation Identification (NGI) systems. Single encoding of latent fingerprints and palmprints will result in more efficient utilization of CPD staff and more comprehensive management reporting, leading to more solved crimes.

1.4 Upgrade Plan

NEC's proposal contains two different paths for an upgrade of the existing system: Traditional and IDaaS.

1.4.1 Traditional Upgrade Option

The traditional upgrade path is a phased upgrade that includes:

- **Phase 1 – Archive**
 - **Upgrade of Archive Services:** All archive functionality will be transitioned to the Integra-ID Archive. NEC will provide a web-based Archive containing all ANSI/NIST arrest events as well as ancillary documents and mugshots. This phase will also begin the transition to the Integra-ID unified Archive and MBIS database in preparation for Phase 2.
- **Phase 2 – MBIS**
 - **Upgrade of Identification (Tenprint) Services:** All functionality integral to identification and management of the tenprint database will be upgraded in this phase. All software required for Identification Services (Tenprint), including transaction controllers, external interfaces, and tenprint workstations will be updated to the Integra-ID platform during this phase.
 - **Upgrade of Investigation (Latent) Services:** In this phase, NEC will migrate the system functions integral to Investigative Services, including latent image searching, maintenance, and interoperability. All software required for Investigative Services (Latent), including transaction controllers, external interfaces, and latent workstations will be updated to the Integra-ID platform during this phase.

The phased upgrade also offers two different business continuity/disaster recovery options that can be included in the implementation or added as a future phase:

- **NEC Hosted Disaster Recovery (DR)** – Full Archive and MBIS transaction processing and interfaces located at an NEC data center that has passed the FBI CJIS audit. This includes near real time data replication and the ability to transition services to the DR system within four (4) hours of the CPD decision to switch over.
- **Using ISP as a Business Continuity Platform** – This option contains a DR controller that will forward all tenprint transactions to ISP and forward the results back to the appropriate CPD resource. It will also store all transactions and responses for up to six (6) months while the CPD system is restored. The DR system also provides latent processing on the ISP and FBI NGI systems.

1.4.2 IDaaS Upgrade Option

The most revolutionary aspect of NEC's solution offering is the IDaaS-based delivery model. This model employs a business approach that transitions CPD's Records Services Division to an operational-expenditure funding model.

Only NEC has a successful proven track record of over 20 years in providing hosted MBIS solutions.

It is the most cost-effective approach to assist law-enforcement organizations with implementing and maintaining modern biometric identification systems. It provides a commercial structure that significantly reduces the amount of up-front capital investment required for the replacement of the current AFIS.

Within the IDaaS solution delivery model option, NEC will own the hardware and software to be hosted at CPD, providing MBIS as a service for an annual fee. NEC shall be responsible for all maintenance and system administration, supplying a contracted level of service, meeting the needs of CPD within its law enforcement community.

The optional IDaaS solution delivery model provides the following benefits over the traditional up-front purchase solution model:

- Significantly reduces the amount of needed up-front capital investment.
- Allows for fixed yearly budgeting by transitioning to an operational-expenditure funding model.
- Supplies a contracted level of service to CPD by assigning responsibility for all maintenance and system administration to NEC.

NEC is also uniquely qualified to offer IDaaS to CPD. In this managed services model, NEC would upgrade the system in a single phase and provide CPD with all services. As such, NEC would bear the responsibility for hardware and software management, keeping abreast of security updates, as well as responding to CPD's service level requirements. This model would transition the cost from an initial capital expense to a down payment and monthly operational expense. In this model, both DR options would still be available.

1.4.3 Upgrade Advantages

Key highlights and advantages of the proposed upgrade are detailed in the table below.

Table 1: Upgrade Advantages

UPGRADE ADVANTAGES
AVAILABILITY
<ul style="list-style-type: none">• High availability storage repository and matching system leading to continued reliability and performance of the proposed system.

UPGRADE ADVANTAGES
ACCURACY
<ul style="list-style-type: none"> • Addition of full palmprint matching and storage, leading to more identifications. • Addition of slap print (plain impression) storage and matching for an increased tenprint and latent hit rate. • Addition of 10-finger RDBT for higher accuracy and additional flexibility in identification searches initiated from both mobile ID and livescan submissions. • Addition of NEC's latest advances in latent identification, including NEC's Vertical Ridge Patterning (VRP) and Fusion Matching. • Event-based database, providing multiple arrest event records per subject in the MBIS for searching. • Provision of storage and display for NIST records captured at 500 and 1000 ppi.
INTEROPERABILITY
<ul style="list-style-type: none"> • Seamless interoperability for latent search to ISP and FBI directly from the CPD IBW using the same latent file created for the local CPD inquiry through the ISP FBI gateway. • Open architecture and compliance to NIST EBTS version 10.0 standards.
FEATURES / FLEXIBILITY
<ul style="list-style-type: none"> • Support current CPD defined TOTs as well as provide the ability to add future semi-customizable TOTs based on existing workflows. • Unified AFIS and web-based Archive database with local copy of all NIST data. • A fully searchable web-based Archive, including storage and display of fingerprints, palmprints, demographic data, mugshots, iris, user defined notes, and other files (documents, photos, forms, etc.) in common electronic file formats; and storage of other biometric modalities in their native NIST formats. • Superior MBIS administration, management, and reporting capabilities, including the ability to generate customer configured reports.

1.4.4 Data Transition

NEC's proposed data transition provides the following benefits to CPD:

- **Unsolved Latent Data** – The importance of having complete data migration, including the painstaking work previously performed by CPD latent examiners, is critical to CPD's mission. To address this priority, NEC will convert all of the CPD unsolved latent records electronically, with no impact on CPD latent examination personnel.
- **Tenprint Data** – NEC will transfer composite minutiae of records in the existing system, which are more accurate than the records in the Archive system, thus leading to better-quality records, higher accuracy, and better results.

Complete data migration with no loss of quality to the painstaking work previously performed by your latent examiners.

- **Archive Data** – NEC will transfer all records in the CPD archive to maintain the record of NIST transactions in the CPD files.

These data transition advantages are unique to an NEC solution, providing optimal conditions for system accuracy, while potentially saving CPD countless labor hours of unnecessary quality control and consolidation.

1.5 Other Key Advantages

Personnel, support, and management of the CPD MBIS are among the key advantages available from NEC. Our personnel are in place and familiar with CPD. If not more importantly, CPD personnel are also very familiar with NEC and its team.

To avert the risk of either natural or man-made disasters, we are offering two different disaster recovery and business continuity options, ensuring continuous processing of inmates even when the CPD system is temporarily unavailable. To adhere to CPD requirements, CPD can use ISP for business continuity or a disaster recovery system placed in a secure NEC data room with battery backup and onsite support personnel.

NEC has experienced staff, CJIS-compliant facilities, and system support and management processes already in place.

1.6 Summary

Unlike technology-only purchases common to this industry, CPD will select a partner for a period potentially much longer than 10 years. In an ever-changing industry, the character and business practices of those vying for your trust cannot be discounted. For the past 24 years, NEC has been a stable and loyal partner to CPD. With a demonstrated commitment to this market as evidenced by an industry best-in-class SOA architecture and private, secure cloud platform, combined with the most comprehensive, lowest-risk transition plan which uniquely ensures complete legacy fingerprint data migration, we proudly present these capabilities in support of a renewed partnership with CPD.

2 CPD INTEGRA-ID 5 SOLUTION

As a solutions provider, NEC builds and delivers turnkey systems that meet our customers' precise needs and specifications. The Integra-ID 5 architecture focuses on the integration of proven hardware and software to provide a solid infrastructure that can fully support all of CPD's identification requirements. Figure 3 is a high-level diagram illustrating the proposed Integra-ID system in Phase 1.

Figure 3: Proposed Integra-ID MBIS Phase 1 Configuration

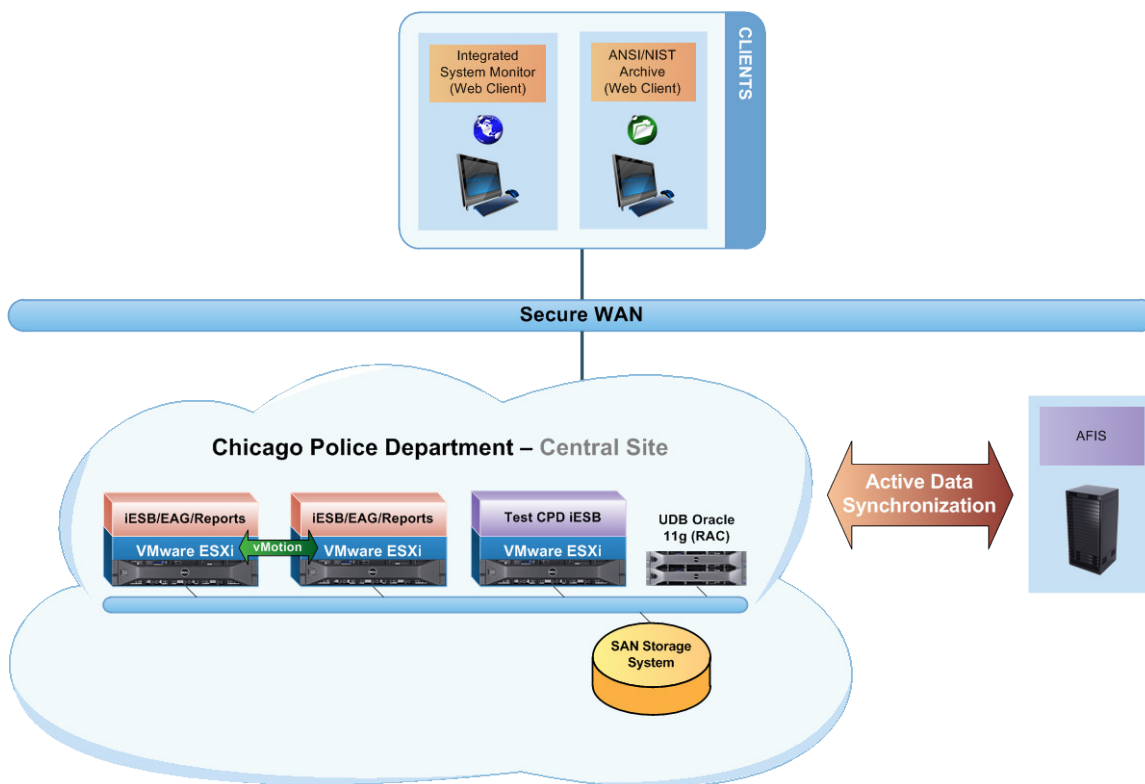
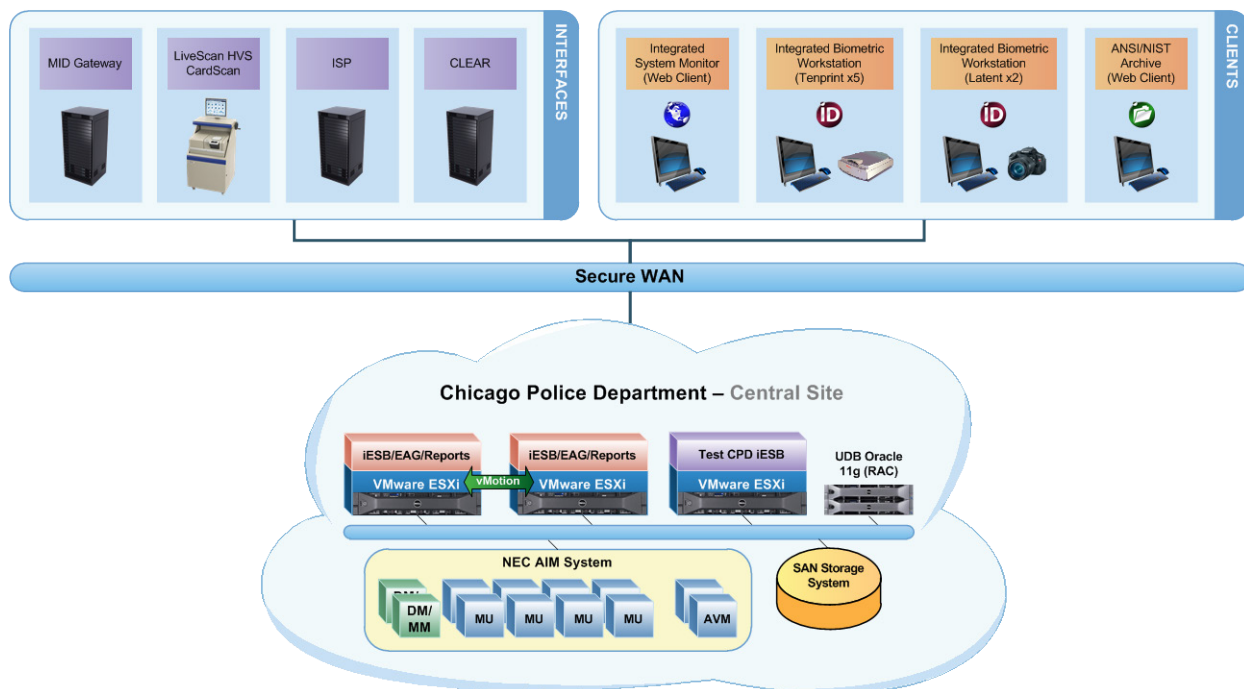


Figure 4 is a high level diagram of the system configuration after Phase 2 or in the IDaaS model.

Figure 4: Proposed Integra-ID MBIS Phase 2 (or IDaaS) Configuration



2.1 Components Overview

The critical hardware components are easily expandable to meet future needs for growth and increased workloads. The integrated online transaction processing software and customized workflows will allow CPD to operate effectively and with minimal operator intervention.

Table 2 provides an overview of the proposed baseline components that will be delivered as a part of the Integra-ID system.

Table 2: Integra-ID Components

SYSTEM COMPONENTS	DESCRIPTION
iESB Transaction Controller (TC) Server	The TC manages all workflows and all external interfaces. It maintains the Work In Progress (WIP) queue and tracks all activities and roles for all users. The TC hosts all the necessary external interfaces, workstation interface, and administrative access. The TC houses all services relating to the MBIS transaction control and Archive. It is the reports server and the ULW server for communication to the workstations in the field, as well as the FBI via ISP ULW Gateway.

SYSTEM COMPONENTS	DESCRIPTION
Unified Database (UDB)	Via an Oracle RDBMS, the UDB manages all access to the system and stores MBIS images, descriptive information, feature data, necessary audit trail data, report data, user profile data, and, for the NIST Archive metadata search component, the original NIST records and associated metadata.
Match Manager (MM), Data Manager (DM)	The MM and DM components control the Match Units (MUs) and perform feature (minutia) template distribution for MU template caching. The MM also performs 1:1 type searches and maintains the local search job queue.
Match Units (MU)	The MUs perform the matching and send the results to the MM. The MUs have the feature set templates distributed across them, and these templates are loaded into the server memory for fast access. For searching, the MUs host the minutia feature sets for fingerprints, palmprints, and latents.
Integrated Biometric Workstation (IBW)	IBW, a Microsoft Windows®-based PC, serves as the user interface to the Integra-ID MBIS. It provides a single login point to run all available user functions, including all tenprint, latent, and palmprint functionality. User profile and workstation purpose, however, dictate available functions. Built using the .NET platform, these workstations provide the feature rich user experience of a client-server model.
Optional FastID Workstation	The FastID workstation provides a 1:1 and 1:N fingerprint identification function for the non-fingerprint expert. It is a lights-out process used for pre-booking and jail management identification needs. Each workstation will have a 4-4-2 quick capture scanner. Built using the .NET platform, these workstations provide the feature rich user experience of a client-server model.

2.2 Design Parameters

The Integra-ID solution presented to CPD is based upon certain assumptions and requirements identified during our general discussions. In addition to the functional requirements, interfaces and workflows will need to be determined. NEC has made certain assumptions regarding workload requirements that directly affected the system sizing specified herein.

NEC proposes the following baseline design parameters for the CPD MBIS based upon your performance desires and sizing requirements. These parameters are based on an operational schedule of seven (7) days per week, twenty-four (24) hours per day.

Table 3: Integra-ID Database Design

DATABASE	CONVERSION	DESIGN	REMARKS
MINUTIA/IMAGE DATABASE (SEARCHABLE)			
Rolled Database – Tenprint	2,015,000	2,500,000	Composite Best Quality Records
Slap Database – Tenprint	720,000	2,500,000	Composite Best Quality Records
Rolled Database – Latent Search	2,015,000	5,000,000	Day One Forward, Event-Based
Slap Database – Latent Search	720,000	5,000,000	Day One Forward, Event-Based
Latent Fingerprint Database	7,600	20,000	
Palmprint Database – Full	500,000	1,000,000	Composite Best Quality Records
Latent Palmprint Database	1,600	5,000	
NIST ARCHIVE			
Type 1, 2, and 4 – Fingerprint (500 ppi)	4,600,000	7,600,000	
Type 1, 2, and 14 –Fingerprint (1000 ppi)			
Type 10 – Photo	1,400,000	5,400,000	
Type 15 – Palmprint (500 ppi)	1,400,000	5,400,000	
Type 15 – Palmprint (1000 ppi)			
Other Documents		3,000,000	

Table 4: Integra-ID Transaction Volumes

TRANSACTION VOLUMES	DAILY	PEAK	AVG. RESPONSE TIME (MINUTES)	OP. HOURS	REMARKS
Tenprint Submission	2,500	250			
Tenprint Inquiry (TI)	1,250	100	5	24	
Latent Inquiry (LI) Fusion RDB-L and SDB	30	5	60	24	
Tenprint-to-Latent Inquiry (TLI)	2,500	250	60	24	
Latent-to-Latent Inquiry (LLI)	15	3	60	24	
FastID Searches 1:N	1,250	100	1	24	
Palmprint Submission	2,000	200			
Palmprint-to-Latent Palmprint Inquiry (TLI-P)	2,000	200	60	24	
Latent Palmprint-to-Full Palmprint Inquiry (LI-P)	25	5	120	24	

TRANSACTION VOLUMES	DAILY	PEAK	AVG. RESPONSE TIME (MINUTES)	OP. HOURS	REMARKS
Latent Palmprint-to-Latent Palmprint (LLI-P)	10	3	120	24	

Table 5: Integra-ID Baseline Devices

DEVICE	TYPE	DESIGN	REMARKS
Integrated Biometric Workstation (IBW)	Full Function (Tenprint, Latent, Verification, NSW)	7	Desktop PC, flatbed scanner, latent camera (2), dual monitors.

Table 6: Integra-ID Additional Devices

DEVICE	TYPE	DESIGN	REMARKS
Optional FastID Workstation	FastID functionality		Desktop PC, 4-4-2 scanner
Print Server	Print Server with FBI IQS Appendix F Certified printers	1	
Color Network Printers	Lexmark C544N Network Printer	3	For printing from any device on the network

Table 7: Integra-ID Baseline Interfaces

FEATURE	REMARKS
NIST SSO	Baseline feature – Allows NIST records to be transmitted and searched against the ISP AFIS.
ESSO Feature	Baseline feature – Enhanced Search Sent to Other AFIS for quickly searching latent prints against the ISP AFIS.
ULW	Baseline feature – Allows latent searches to be directed to the FBI through the ISP Integra-ID ULW Gateway.
Livescan Interface	Baseline feature – NEC standard livescan interface protocol.
Archive Interface	Baseline feature – Web-based access for remote users and IBW.
CCH Interface	Interface to CPD CLEAR system.
Mobile ID Gateway Interface	Interface to receive RPIS transactions from the CPD Mobile ID system and send responses.

2.3 Workflow Overview

Figure 5 provides an overview of the proposed tenprint workflow. This workflow is currently implemented on the existing system.

Figure 5: Tenprint Workflow Overview

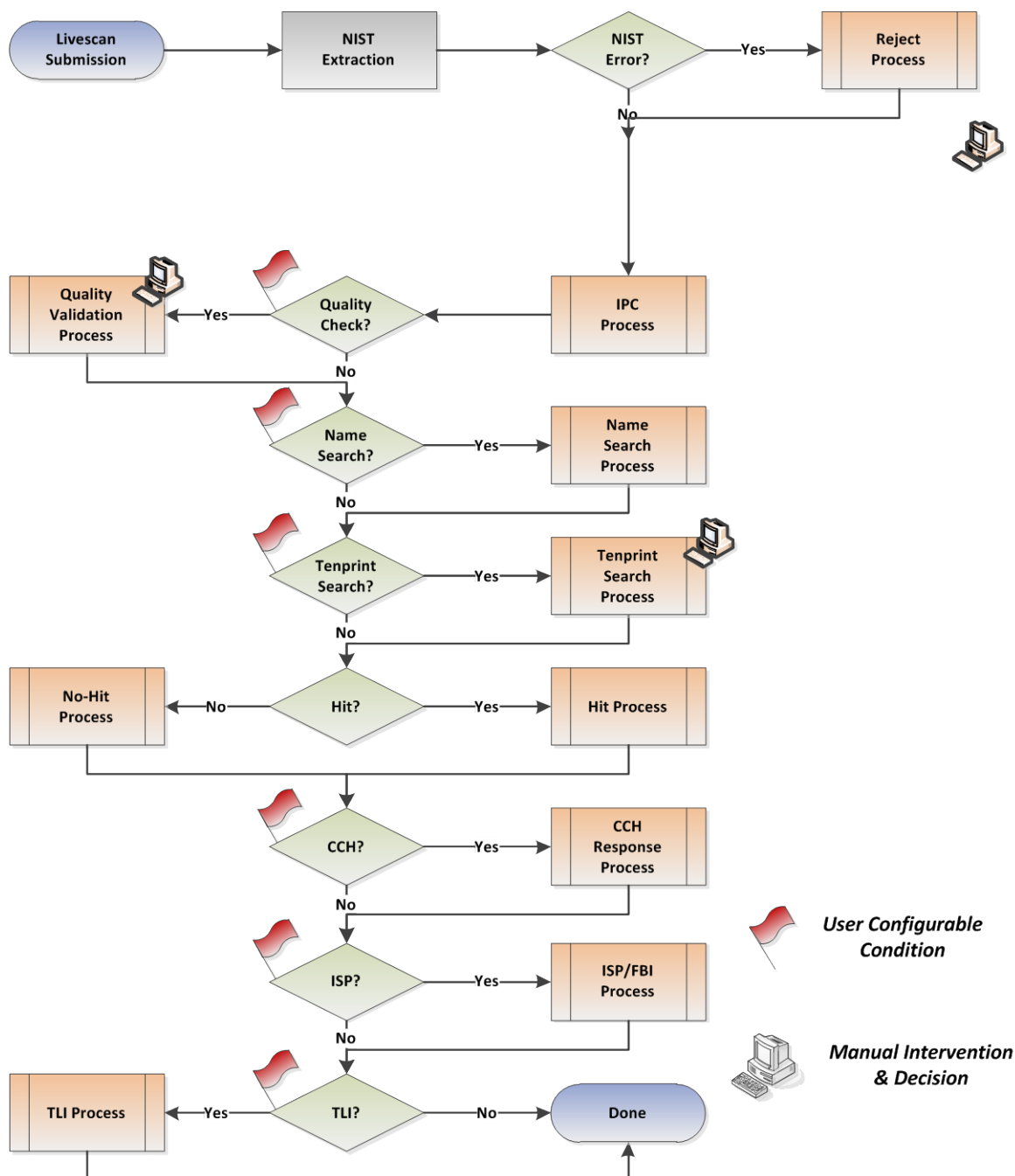
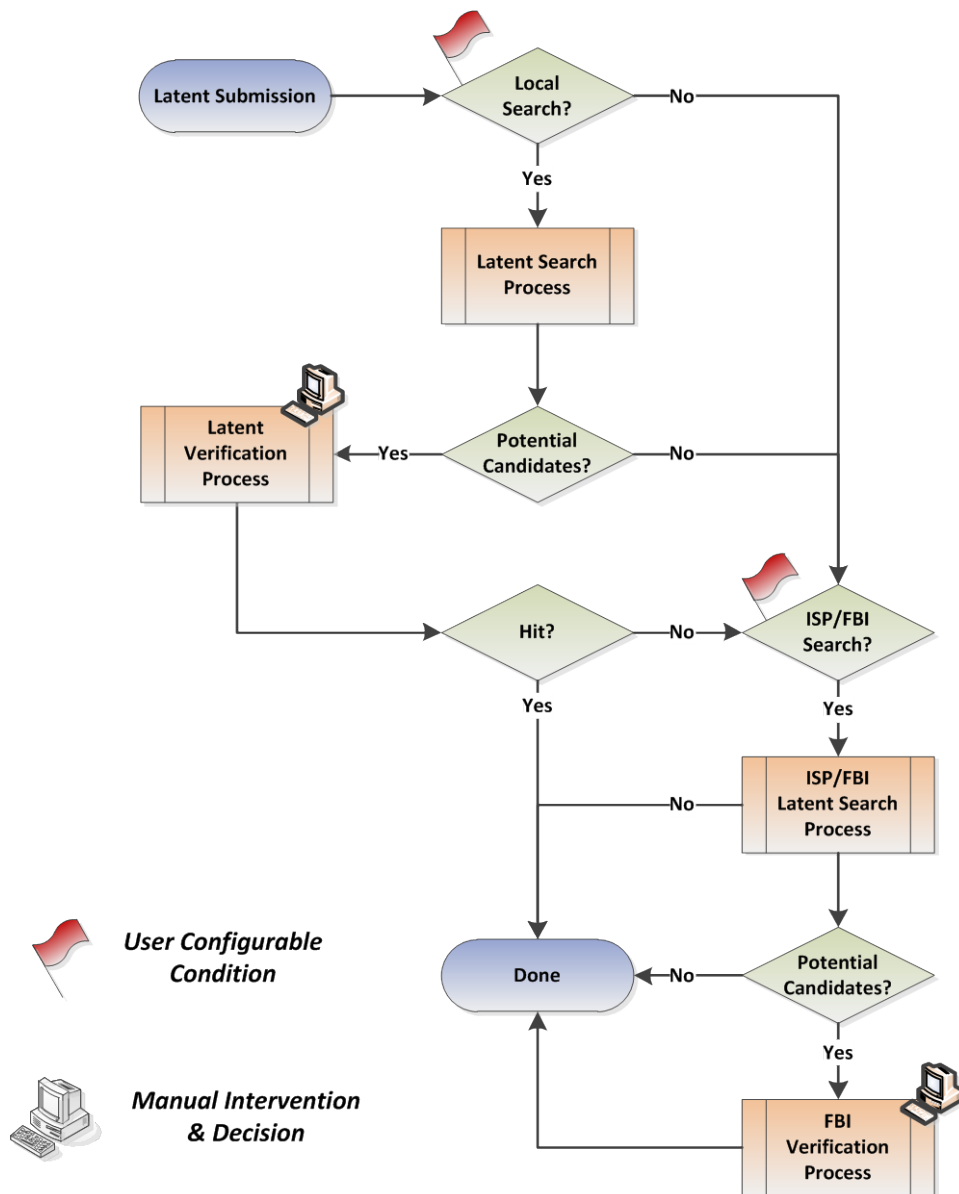


Figure 6 provides an overview of the proposed latent workflow. Detailed workflows will be defined in the Scope of Work document.

Figure 6: Latent Workflow Overview



2.4 Integra-ID 5 Overview

NEC's current MBIS offering, Integra-ID 5, incorporates NEC's latest biometric matching algorithms with a service-oriented architecture (SOA) that provides the flexibility, reliability, and speed that law enforcement agencies demand to do their work effectively.



A commercial-off-the-shelf (COTS) solution, Integra-ID leverages the latest industry standard hardware technology to provide a system with superior performance. As a result, there is no need to purchase proprietary hardware. This provides flexibility in deployment, reduction in costs, and enables IT departments to better plan and manage hardware resources. For future needs, Integra-ID also enables integration of existing hardware with newer, high-performance hardware without the need for wholesale replacement of matching resources. NEC's solution provides a lower total cost of ownership by allowing an easier and more affordable path for future upgrades.

2.4.1 Accuracy

Integra-ID uses the latest proven matching algorithms produced in NEC Corporation's Research and Development laboratories in Tokyo to provide a solution that employs specific biometric algorithms for different types of prints. For example, latent print matching uses a different (and dedicated) algorithm from that used for rolled tenprint processing. This optimization makes Integra-ID one of the most accurate systems available today.



Integra-ID uses multi-biometric matching for both tenprint and latent searching:

- **Latents** – Integra-ID includes the option to perform a latent fusion search. This search method uses two different matching algorithms (multi-algorithm search) and fuses the results, thus increasing the effectiveness of the algorithms and improving latent examiner efficiency by moving the true candidate higher and false candidates lower on the candidate list.
- **Tenprints** – Tenprint searching uses a multi-instance algorithm for increased accuracy. Integra-ID will use from 2 to 20 fingers, as needed, to confirm a positive ID or establish a no-hit for each search. By using up to 20 fingers per search, the number of tenprint transactions requiring manual operator verification is greatly reduced.

2.4.2 Flexibility

Integra-ID includes a built-in Dynamic Workflow Manager that hosts multiple workflows, providing the flexibility to make rapid changes to the system. CPD could use this function, for

instance, to process MBIS tenprint inquiries during the normal workday using a standard workflow, while using an alternate workflow when the tenprint section is not staffed.

2.4.3 Integra-ID Landing Server

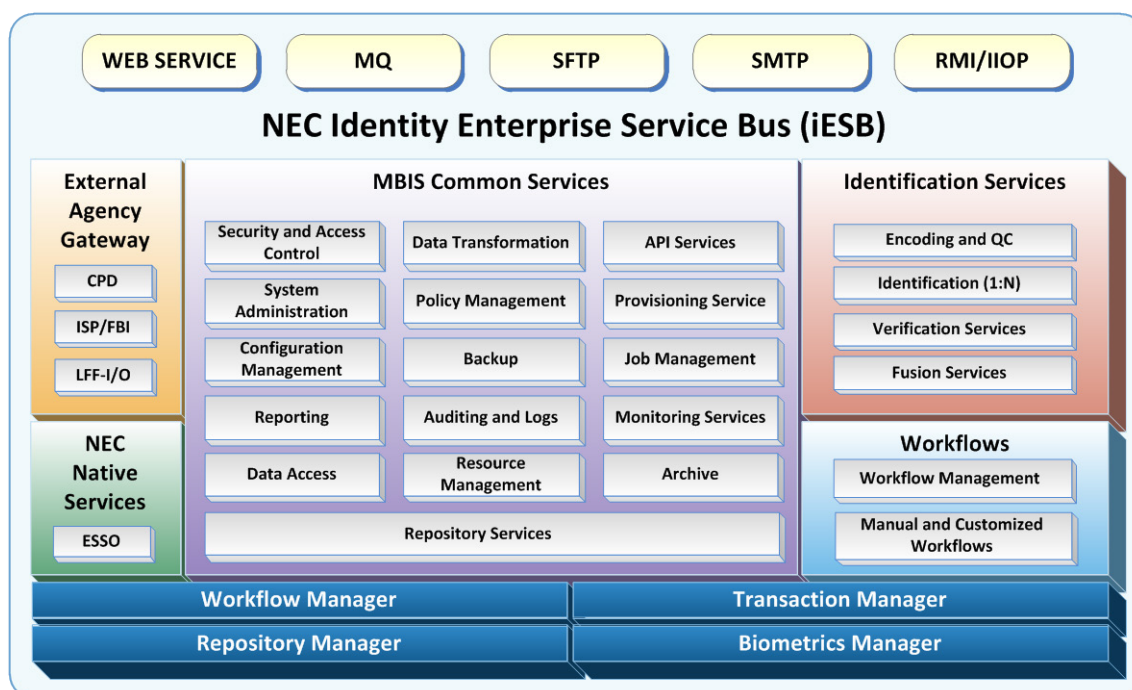
The Landing Server acts as a buffer between the livescan network and the MBIS network. It is a Linux-based server where all transactions are placed, helping to facilitate system upgrades as well as providing a buffer area where messages can reside if a system is not available at that moment. The Landing Server will allow the switchover from the AFIS to Integra-ID MBIS without the need to update each livescan individually.

2.4.4 Identity Enterprise Service Bus

The Identity Enterprise Service Bus (iESB) is a virtualized general-purpose server that manages all fingerprint, latent, and palmprint processing and workflows. It maintains the Job Queue and tracks all activities and roles for all users. The iESB hosts all interfaces and administrative access, and includes a component that manages reporting and the audit trail.

The iESB is built on an SOA J2EE platform. It is a robust, field-proven server that is highly scalable, flexible, and reliable. The iESB is a standard component in NEC's next-generation integrated biometric identity management systems for both civil and law enforcement applications.

Figure 7: iESB Components



- **Transaction Management** – Provides high throughput and availability in managing identification service requests to satisfy system response time and availability requirements. Capable of simultaneously handling incoming, outgoing, and internal processing of transactions and automatically continuing or recovering transaction processes without loss of data in the event of component failure.
- **Data Exchange Interface** – Allows third-party applications to link with MBIS to exchange information; also allows interfaces with external subsystems like CCH/RMS, State/County AFIS, and FBI IAFIS.
- **Identification Management** – Manages NEC's fingerprint/palmprint/facial matcher or other third-party biometric matching systems to provide true multimodal capability.
- **Dynamic Workflow Management** – Ties together all the above components to provide a customized and configurable workflow engine that can be easily managed at the user level. The Workflow module offers manageability in law enforcement environments that need variations in business rules, data flow, and operational procedures.

The iESB can also be used as an agency application integration framework to interlink different components within the agency. The framework components can be customized to extend overall agency application interoperability.

In addition to the production iESB, NEC is supplying a test iESB. The test iESB server will allow CPD to test changes to the Integra-ID workflows and interfaces without interfering with the production workload. The test system will use a test database scope created in the Unified Database (UDB) and share the matching resources in the AIM matching sub-system. It will also allow for refreshment training as needed by CPD operators.

2.4.5 Unified Database

Integra-ID uses a Unified Database (UDB) schema capable of storing structured MBIS image data, NIST archive data, feature sets, mugshots, and documents, including court papers, incident reports, rap sheets, search warrants, or any investigative documents. Digitized documents can be stored in the UDB to provide a single repository for search, viewing, and analysis.

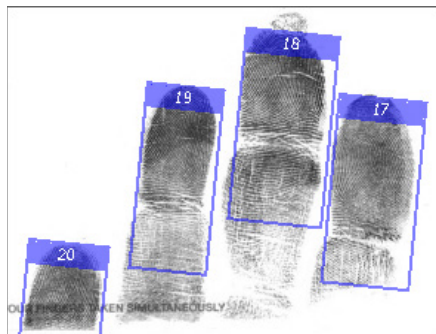
The Integrated Archive System uses a UDB schema as a base. Integra-ID Archive is a browser based application that uses a standard web client on the MBIS workstations. The web client allows comprehensive, intelligent, drill-down search capability on the UDB. Users can query the database for an event or perform a free-text search with wildcard support. The Archive web client also allows viewing and printing of fingerprint cards, palmprint cards, mug shots, and documents.



2.4.5.1 Palmprint Storage and Search Capability

Law enforcement agencies worldwide rely on NEC's palmprint technology, which is built on the same technology that yields high accuracy for latent fingerprint searches. It is estimated that 30% of crime scene latent prints are palmprints. Full or partial palmprint search capability is a standard feature in Integra-ID.

2.4.5.2 Slap Print Matching Capability



The proposed Integra-ID solution includes slap print storage and search functionality. These images are extracted from incoming NIST records, and slap editing is provided in both automated and manual workflows. The slap prints retrieved from NIST Type 4 or 14 records are searched against the unsolved latent database during reverse searches in the same manner as the rolled prints. The slap search feature increases the effectiveness of the NEC matching algorithms within the proposed Integra-ID solution by providing 10 additional fingers for tenprint and latent searches.

2.4.6 Advanced Identity Manager

The matching component for the Integra-ID system is NEC's Advanced Identity Manager (AIM). AIM is a plug-in component of the iESB biometric system and supports multiple biometric matching modalities as well as the ability to scale seamlessly as system needs grow.

The AIM architecture is based on distributed, parallel-grid computing, which not only provides superior performance (massive parallel processing) and scalability (adding new plug-and-play servers as needed), but also allows for fault-tolerant computing as multiple copies of the matching data are distributed throughout the system. As a result, the risk of a matching system single point-of-failure is eliminated, providing a high degree of availability by design.

2.4.6.1 Match Manager and Data Manager

The Match Manager (MM) is a software service component that provides complete functionality for multiple biometric data processing and template generation and matching; coordination of transactions for MUs; management of biometric template data groups; and all standard search matching processes.

The Data Manager (DM) manages biometric template data distribution, redistribution, local backup, and synchronization of database segments on each MU.

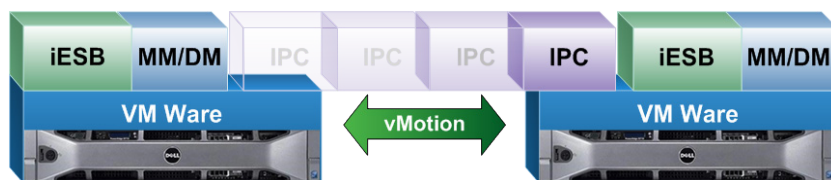
2.4.6.2 Match Units

The Match Unit (MU) is the basic software component of the AIM system, carrying out multiple biometric image processes including feature extraction and matching. The MUs have multiple copies of the feature set templates distributed across them to enable full redundancy of the template data as well as allowing for resource balancing of the matchers.

2.4.7 Virtualization Architecture

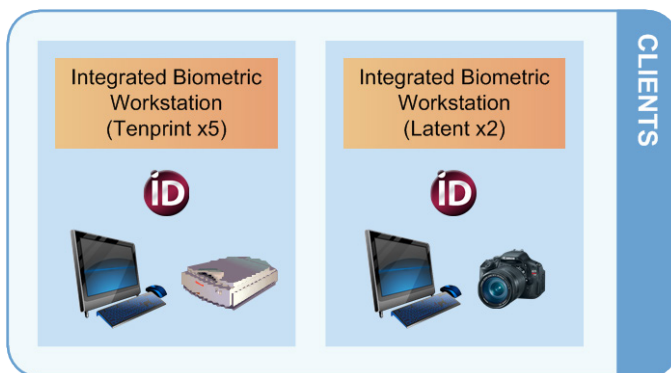
The proposed solution benefits from decades of NEC experience in IT-centric solution deployments. Our innovative SOA architecture utilizes system virtualization to achieve the high availability, response time, and efficiency required by mission critical systems. Built upon a production-proven VMware virtualization platform, the Integra-ID architecture improves system utilization and uptime, simplifies system operation, and enables cost effective scaling.

Figure 8: Proposed Virtualized Server Configuration



2.4.8 Integrated Biometric Workstation

The Integrated Biometric Workstation (IBW), a Microsoft Windows®-based PC, serves as the user interface to the Integra-ID MBIS. It provides a single login point to run all available user functions, including all tenprint, latent, and palmprint functionality. User profile and workstation purpose, however, dictate available functions. Built using the .NET platform, these workstations provide the feature rich user experience of a client-server model. IBW's graphical user interface (GUI) is designed for ease of use, enabling examiners to be more productive.



IBW brings together all functions required to manually or automatically process tenprint, palmprint, and latent records, providing a unified user interface for all MBIS functions. The application allows the user to customize many features and save them as user preferences that are linked to the user login. These user preferences will automatically be available from any terminal the user logs onto.

User-friendly and designed for efficiency, IBW offers the following features:

- Intuitive, configurable GUI, making it easy to use with minimal training.
- User preference management that is customizable for simple use.
- Ability to quickly move between MBIS functions, such as tenprint, latent, palmprint, quality control, and error resolution.
- Multi-processing capability allows multiple users to perform different MBIS functions on a single job.
- Enhanced tenprint processing, enabling automated correction of common quality-related errors.
- Enhanced latent imaging and charting functions.
- Supports the use of multiple display monitors.
- Automated latent processing, saving time and reducing manual errors.

2.4.9 Latent Case Management System

NEC's IBW also provides a full featured Latent Case Management System (LCMS), which incorporates the totality of all latent functionality. It stores all information associated with latent friction ridge prints regardless of whether they are stored in the matcher, and maintains latent information by case number, search results in CPD MBIS, and external systems.



The solution provides compliance with SWGFAST, ASCLD, SWGIT, ISO, and other regulatory standards through case workflow. The LCMS provides end-to-end latent case management, automating the natural steps of latent examination across the enterprise for digital assets from all cases derived during case management. The LCMS stores latent data in the ANSI/NIST standard with the latent Extended Feature Set (EFS) for interoperability.

The LCMS supports the latent examiner in searching latents against major case prints (Type 14 and 15). NEC stores these images for examiner visual verification of major case prints. The latent examiner is allowed to “copy” major case prints from one case folder to another. The LCMS also allows the latent examiner to delete major case prints from case folders.

2.4.9.1 Latent Input Function

The LCMS allows latent examiners to capture latent fingerprint and palmprint images at 500 or 1000 ppi, as well as 8-bit grayscale images directly from lifts, photographs, crime scene evidence, and digital media. The IBW is equipped with an FBI IQS-compliant scanner. Descriptive data, such as probable finger number, hand, pattern types, geographic location, crime type, candidate list length, latent collection location, and method of processing are allowed to be entered. Predefined table data is available for selection from various drop-down

menus during case creation. These data tables can be maintained by a system administrator, and the system is capable of creating a latent case with or without images entered.

When a latent image is captured, it is immediately available in a “case tree” view from which the latent examiner can select it for image processing.

2.4.9.2 Creating Cases

Figure 9: LCMS – Creating a New Case



The screenshot shows a web-based form titled "New Case Description" with a blue header and footer. The form contains the following fields and controls:

- Case No.: Text input field containing "UT3216549873".
- Case Name: Text input field containing "Briggs Laboratory Burglary".
- Date of Crime: Date picker showing "6/25/2014".
- Examiner: Dropdown menu showing "TCLINE@UT".
- Crime Lab Ref. No.: Empty text input field.
- Crime Code: Dropdown menu showing "0006-0001 (Burglary)".
- Explicit Statute: Text input field containing "0".
- County: Empty text input field.
- External Case No.: Empty text input field.
- Auto Delete: Checkmark icon.
- Last Notify: Date picker showing "Select a date".
- Notify: Checkmark icon.

At the bottom right of the form are two circular icons: one with an 'X' and one with a checkmark.

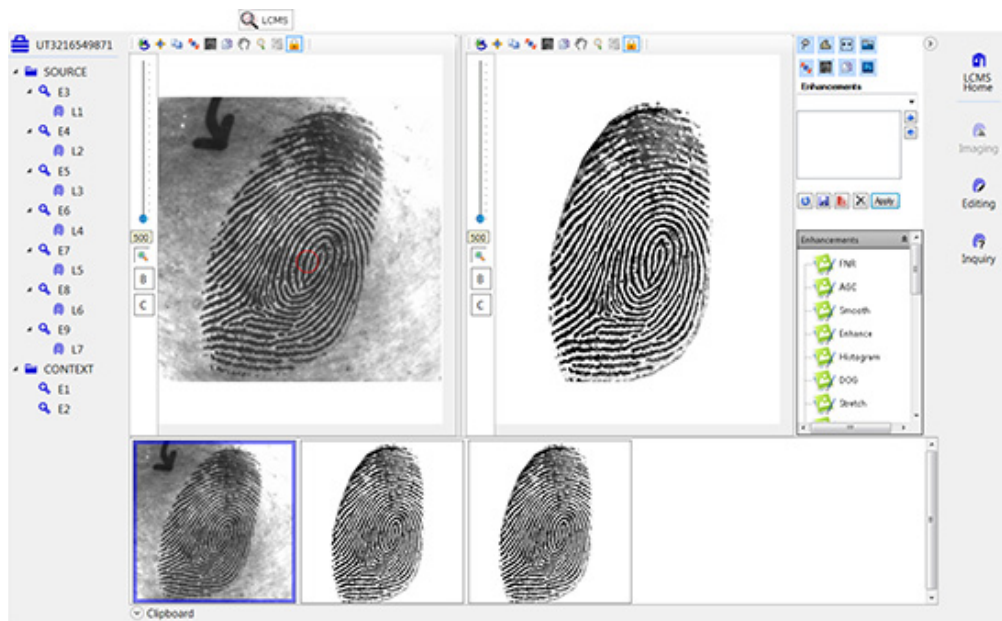
2.4.9.3 Capturing New Evidence and Lifts

To enter new evidence and lifts, the latent examiner scans at 500 or 1000 ppi or imports the evidence data, and adds it to an existing case. An evidence image may be a cluster of latent prints found at the crime scene.

2.4.9.4 Enhancing Latents

NEC's LCMS provides several tools to trim, center, rotate, reverse, and mirror an image. It also allows the user to apply individual, predefined, custom, and selective enhancements. An Image Overlap Removal tool is provided to remove any overlapping image or pattern data.

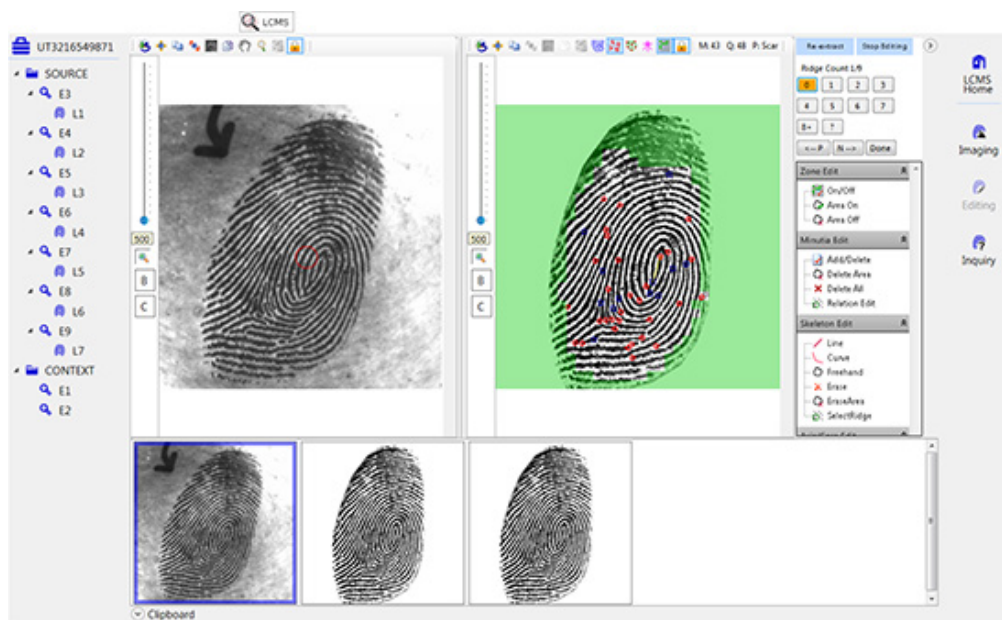
Figure 10: LCMS – Enhancing a Latent



2.4.9.5 Editing Latents

NEC's LCMS solution provides a detailed set of latent editing tools. The user can edit zones, skeleton, and cores/axes; set search tolerance and patterns; and re-extract minutiae.

Figure 11: LCMS – Editing a Latent



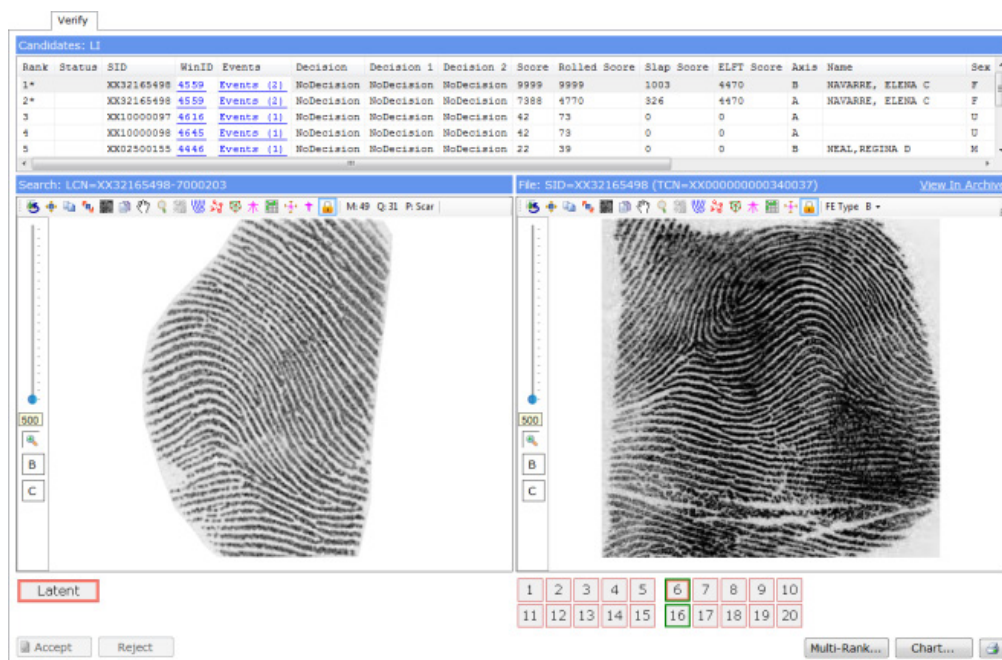
2.4.9.6 Forward Latent Search

Forward latent searches use latent fingerprints and palmprints collected at crime scenes and disaster victim fingerprints, as well as fingerprints from deceased subjects collected by morgues, to determine whether the subject has been previously encountered and enrolled in the MBIS. All latent transactions are automatically queued in the LCMS.

2.4.9.7 Verification

The verification function displays candidate images at their original resolutions.

Figure 12: Verifying Latent Search Candidates



Visual Verification provides the following functions:

- The candidate list includes information for each candidate: Key number, TCN (if the candidate is a specific event), score (rolled print and slap print scores separately), pattern types, and print quality (NEC quality).
- The Verify screen includes a charting function that automatically creates a pictorial court presentation with lines and a numeric code indicating matching minutiae. The search print image appears on the left side and the file print image on the right, with charted minutiae listed in descending order of similarity in a separate Charting Points pane. The examiner may also manually draw lines between matching minutiae and enter optional memos in the fields below the images. The examiner can save the completed file as a JPEG or TIFF image on a network drive and print the file to an available printer.

When the examiner or examiners complete the verification, and a Hit/No-Hit decision is established, the result is stored in the relevant case within the LCMS.

2.4.10 Archive User Interface

NEC's latest Archive application features a web-based interface, providing authorized users with ease of access to archived records and images.

The Archive web client provides quick access to all biometric records and associated documents stored in the Archive repository. The client includes a multitude of searching, viewing, printing, and management features through a flexible, portable thin client application.

The Archive system is a comprehensive and scalable data repository solution for the storage of ANSI/NIST and other ancillary documents. It provides a secure and quick method of storing, retrieving, printing, and managing biometric records associated with identification and investigative processing. The following diagram illustrates the Archive data structure.

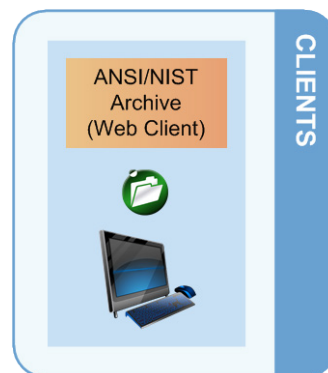
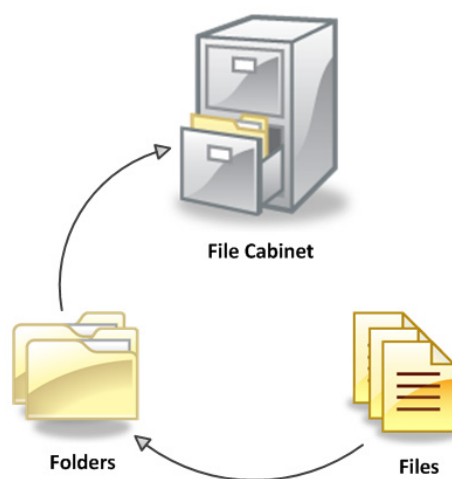


Figure 13: Archive Data Structure

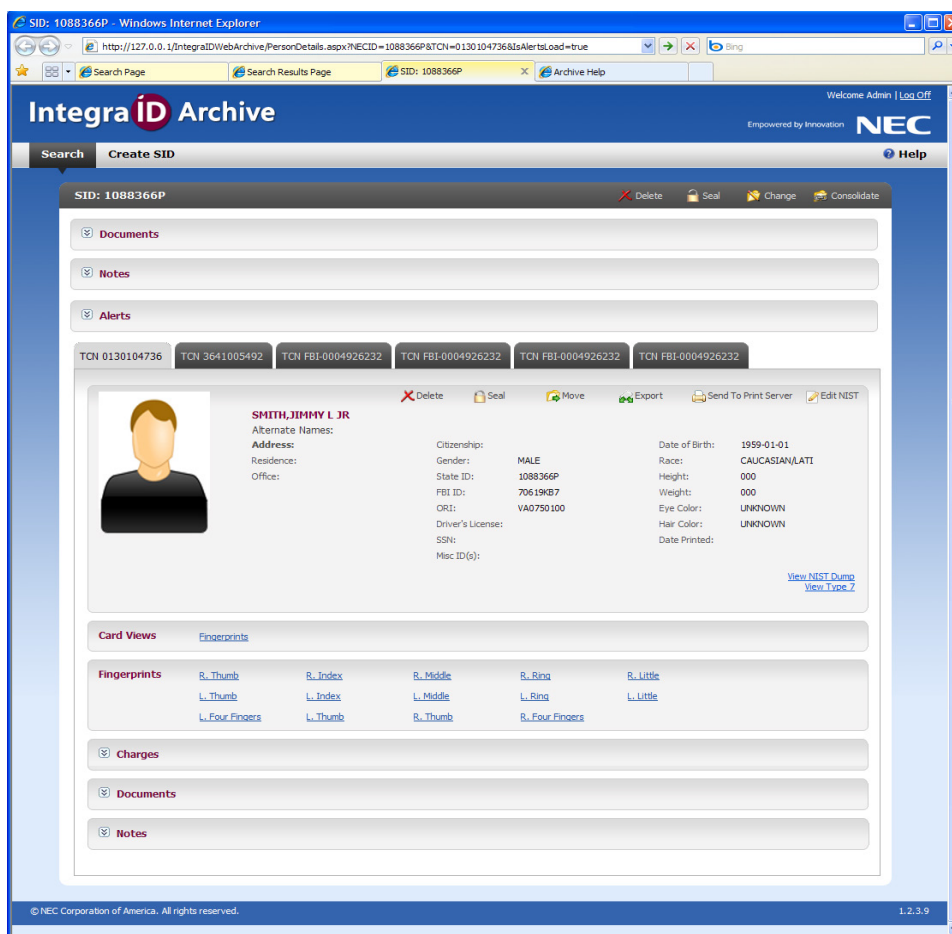


The Archive user interface provides a meta-search capability that enables the user to find a subject using partial demographic data. The search screen allows the user to perform free-text and wildcard searches. There are two search modes: Simple Search and Advanced Search.

Simple Search is a simple text-based search using any text the user enters in the search field, including first name, middle name, last name, or any word in an address. The Advanced Search is reserved for more detailed information, such as hair color, eye color, race, gender, date of arrest, offense date, ORI code, etc.

Search results are displayed, allowing the user to select the desired SID or TCN. Archive will then present the user with the associated person information. Figure 14 shows an example of Archive person information.

Figure 14: Archive Person Information



On this screen, authorized users can delete/undelete, seal/unseal, move the TCN to another SID for consolidation purposes, or export the NIST data to a desired external storage media.

Non-owner agencies will only have access to a subset of the data based on their business rules. The user can also print the card or export the data in NIST format.

Key features of the Archive application are:

- Sophisticated web-based user interface providing easy access to and management of biometric records and associated documents stored within the data repository.
- Provides easy access to stored documents, demographic data, and fingerprint, palmprint, and mugshot images all in one centralized location.
- Complete set of management tools allowing for maintenance of all records under archive storage.
- Integration with NEC's next generation iESB transaction platform and UDB database structure.

- Adheres to NEC's Service-Oriented Architecture (SOA) philosophy, providing broad access to repository data.
- Designed to address the challenges of storage and security of primary source criminal justice information.
- Allows retrieving information quickly from multiple locations in order to help agencies in crime investigation, subject identification, and record keeping.
- Smart metadata search engine provides a quicker way to conduct drill-down searches on the repository and deliver a cohesive, user-friendly method for search management:
 - Direct retrieval of records by specific record number (such as SID or TCN).
 - Simple text search (such as name or hair color) with a wild card feature.
 - Advanced searches with multiple structured criteria, including direct lookup values and range-based information.

The Archive application delivers a cohesive, user-friendly method for data storage, retrieval, and search management that allow users to quickly access the stored content.

2.4.11 Integrated System Monitoring

The Integrated System Monitoring (ISM) web application provides a central location for administrative maintenance and monitoring of all MBIS functions, including user management, workflow management, system configuration and settings, and reporting functions. These functions are described in greater detail below.

User Management – Provides user ID, password, and user functions permissions maintenance; permits the system administrator to selectively set up and manage at least 10 classes of users with configurable permissions per class. Data access functions such as purge, expunge, deletion, and sealing are granted only to a supervisory-level group. Users who belong to non-supervisory levels will have no access to these functions and will not be able to see the corresponding icons on-screen when they log on. The system administrator will have the option to grant or remove function authorizations to individual users.

The administration framework utilizes a strict Role-Based Access Control (RBAC) model. Each role can have one or more functions and each user can be associated with one or more roles. Only users with requisite roles are granted access to a function.



Figure 15: ISM User Management – Saving a User Profile

The screenshot displays the 'Save User' form within the NEC Integrated System Monitoring (ISM) application. The form is titled 'Save User' and includes a 'Reset' button. The form fields are organized into sections: User Information, Roles, Domains, and Passwords. The User Information section includes fields for User Id (ADMIN), System Id (UT), User Name (Administrator), Start Date (12/15/2009), End Date (12/15/2020), Authentication Type (Database Authentication), System Account (checked), Email Address (administrator@default.com), Contact Number, Department/Organization, Change Password On Next Login (unchecked), Password, Confirm Password, and Certificate Name. The Roles section shows a list of roles with checkboxes and buttons to add or remove roles. The Domains section shows a list of domains with checkboxes and buttons to add or remove domains. The Passwords section includes fields for Password and Confirm Password. At the bottom, there is a 'Reset' button and a status bar showing creation and update information.

NEC Integrated System Monitoring
Powered by NEC ESB

User: KAVHXX
Workstation: RREC-KAVH-L1
Monday, September 09, 2013 5:03:34 PM

Home Report System Monitoring Administration Help Logout

Save User

User Id: ADMIN
System Id: UT
User Name: Administrator
Start Date: 12/15/2009
End Date: 12/15/2020
Authentication Type: Database Authentication
System Account: ☒
Email Address: administrator@default.com
Contact Number:
Department/Organization:
Change Password On Next Login: ☐
Password:
Confirm Password:
Certificate Name:

Roles:

4 items selected Remove all

1 item selected Remove all

Domains:

Default Domain: PRODUCTION

Password:
Confirm Password:

Reset

Created By : SYSTEM Last Updated By : UTADMIN
Created Date : 12/18/2009 00:00:00 Last Updated Date : 07/17/2013 09:33:15

Update Security Questions Update Reassign Cancel

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Report Generation – Provides reporting capabilities. Following is a partial list of ISM reporting capabilities:

- Selective viewing and printing of MBIS logs, organized by date/time, user, transaction type, file name, device name, and TCN.
- Selective generation of reports or output in electronic, editable format by time period and transaction type.
- Output of an exceptions report showing such events as abnormal system occurrences, unsuccessful logon attempts, component failures, and transaction aborts.
- Output of storage and resource usage reports such as repository total size, used space, and free space.
- Image quality reports that include NFIQ statistics and QC rates in specified time periods.
- Generate transaction reports that include statistical information such as the number of transactions and hit rate by TOT in a specified time period.
- Generate ad hoc reports.

System Configuration – Allows the administrator to add or update system configuration.

Workflow Management – Supports the system administrator in setting up workflows in which specific TOTs receive default priority (1-9, where 1 is the highest priority) and permits the system administrator to select second-level search verifications. The system permits the system administrator to set up the default length of candidate lists from all types of searches and parameters related to transaction management, interface locators, etc.

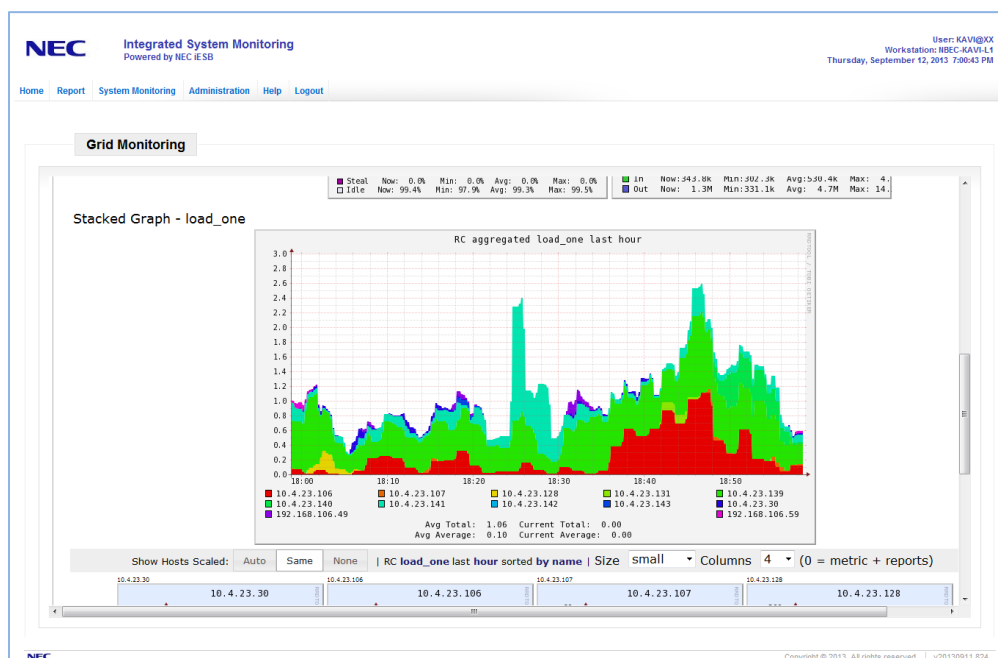
Threshold Modification – Permits the system administrator to maintain the threshold scores (Auto-Hit, Auto-No-Hit) for the workflows. The system permits the system administrator to maintain QC thresholds for tenprints and separately for palmprints.

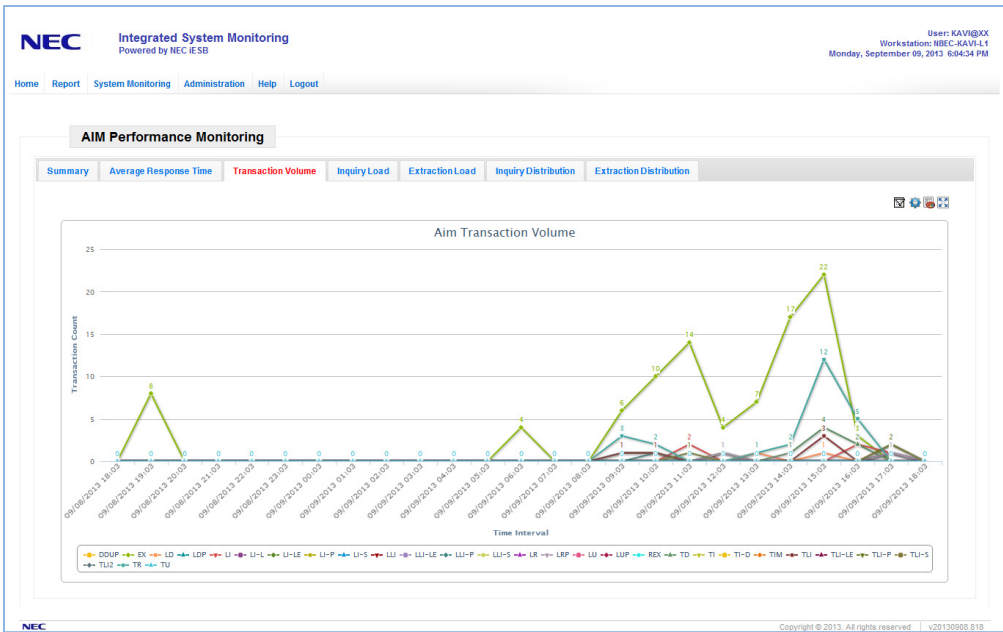
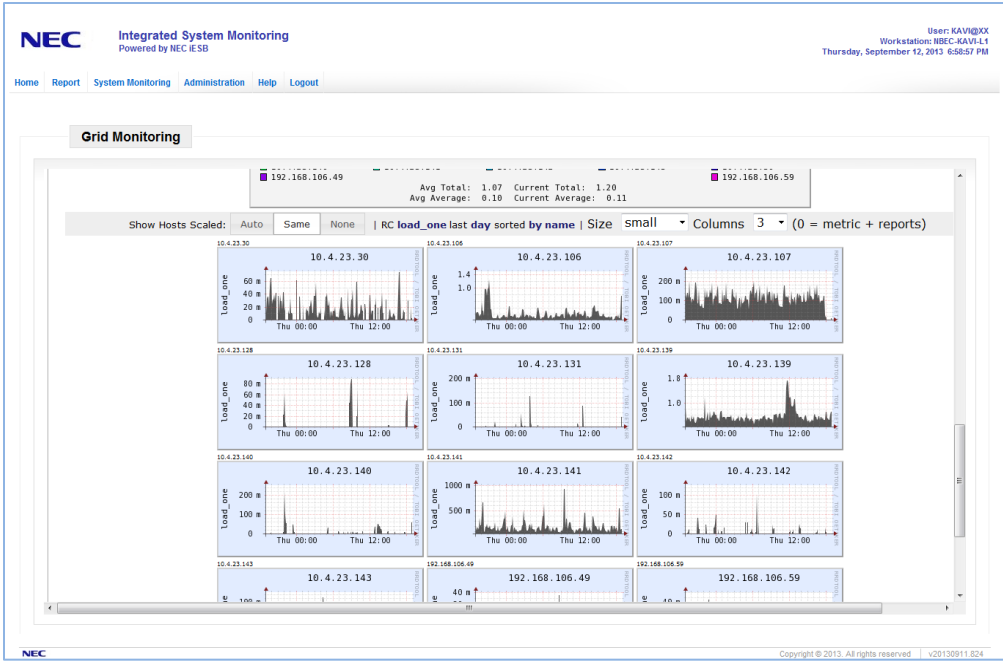
System Monitor – Provides administrators with advanced system monitoring features, including the ability to monitor services at various granular levels across the entire grid:

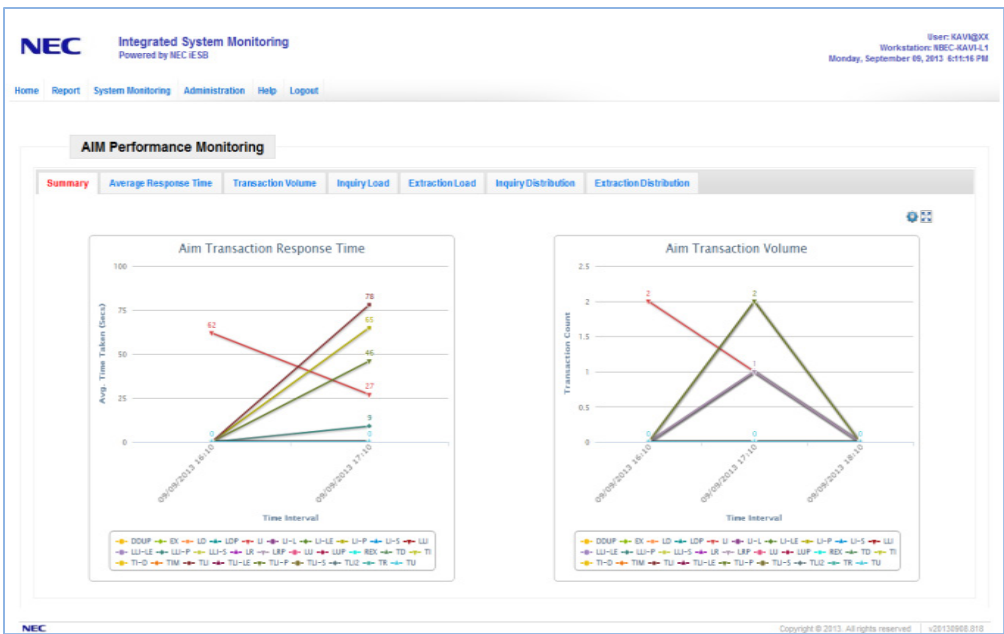
- Overall MBIS services
- Individual component services
- Individual server-level resources (CPU/Memory/Disk/Network)
- Database statistics

It also allows the administrator to monitor throughput and several other critical parameters which show the health of the system. It also permits the system administrator to stop and start services.

Figure 16: ISM System Monitoring Screen Examples

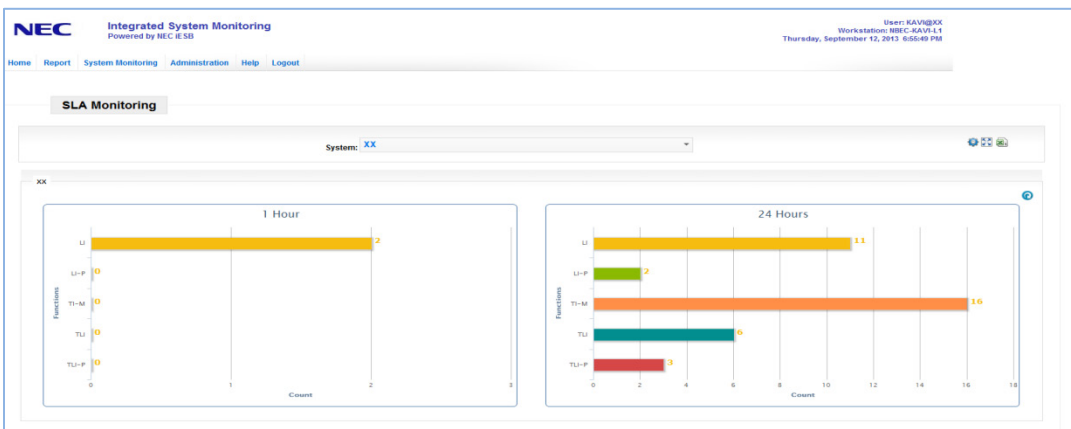






ISM also provides the administrator with the ability to monitor throughput SLAs.

Figure 17: ISM SLA Monitoring



The administrator is also allowed to set threshold levels for each service and configure alerts.

- **Data Export** – Permits the system administrator to export ANSI/NIST files. The system permits the system administrator to export unsolved latent files.
- **Time Synchronization** – Supports manual and automated time synchronization across all MBIS elements.
- **File Maintenance** – Update of statute of limitations table, selective maintenance of LCMS files, unsolved files, corrective action, and merging of cases.

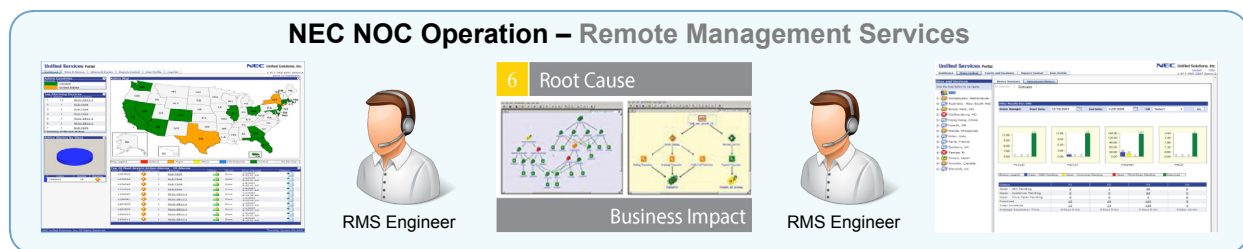
2.4.12 Security and Auditing Functionality

Comprehensive reporting and auditing functions are key features of Integra-ID. All report and audit data is stored in the UDB, allowing easy access to management and transaction reports, and offering a complete audit trail necessary to track operational inconsistencies. Security and auditing functions are available through ISM.

2.4.13 Remote Management Services

NEC provides Remote Management Services (RMS) through our Network Operations Center (NOC) in Rancho Cordova, California and Irving, Texas, including 24-hour, real-time monitoring. The RMS package gives NEC the ability to provide CPD with a number of different monitoring/diagnostic tools and resources that are used as part of the overall check for system integrity.

Figure 18: Remote Management Services



2.4.14 Interoperability

Interoperability is a very significant function of the proposed solution. This function allows the authorized user to access the FBI via the Integrated Biometric Workstation (IBW), which provides the ability to initiate searches and verify results without the need for additional, third-party applications.

Furthermore, CPD will be able to send latent searches to ISP and the FBI's Next Generation Identification (NGI) IAFIS. The MBIS generates full annotation Extended Feature Sets (EFS) based on latent minutiae edited by the CPD examiner, and submits the search request in ANSI/NIST defined Type 9 format. ISP and FBI responses are displayed on the job queue and on screen for side-by-side image verification via the IBW. Interoperability will bring the benefit of reducing examiner workload by streamlining latent operations.

2.4.15 NEC Enhanced Search Sent to Other MBIS

The NEC Enhanced Search Sent to Other MBIS (ESSO) capability is a very significant function of the Integra-ID MBIS. This function allows the authorized user to access the ISP system

through the local workstation. Local authorized users will be able to submit the following functions to the ISP system:

- Latent Inquiry (LI) and verification (for latent fingerprints and palmprints)
- Latent Inquiry of FBI (LFFS)¹
- Latent-to-Latent Inquiry (L/LI) and verification (for fingerprints and palmprints)
- Tenprint Inquiry (TI) and verification
- Tenprint-to-Latent Inquiry (T/LI) and verification (for fingerprints and palmprints)
- Browse the ISP database
- Access the ISP archive

Part of the latent combination command, ESSO functions allow local operators to search the local CPD database, and, if no identification is made, automatically search the ISP database.

2.4.16 Optional System Enhancements

In addition to CPD required system components, Integra-ID MBIS offers many enhancements to allow CPD to better serve its constituent agencies. These options can be added when CPD desires.

2.4.16.1 FastID Jail Booking and Release

Fast, accurate, and easy-to-use fingerprint imaging matching is the preferred means of identification. NEC's FastID system does just that. Consisting of a PC, a 4-4-2 quick capture scanner, and client software, FastID is a turnkey solution that provides fingerprint identification with the highest level of speed and accuracy for fast booking and release.

Built on open architecture, FastID can seamlessly integrate with the Integra-ID MBIS or function as a complete standalone system to provide fingerprint identification services. A self-contained device, FastID can process fingerprint images to perform fast 1:1 verification and 1:N identification.

NEC's FastID system includes client software that contains modules for fingerprint image capture, quality check, and fingerprint template extraction. NEC's QualityCheck™ technology helps maintain database integrity by ensuring the fingerprints are captured in the best possible manner and quality. QualityCheck provides real-time image quality assessment and feedback. It automatically and immediately provides an assessment of the scanned fingerprint image, and

¹ When performing a Latent Inquiry of the FBI, there is no need to export/import the latent image. The proposed NEC Integra-ID will automatically convert the latent job data into LFFS format and utilize the CJIS WAN connection to the FBI hosted at ISP.

informs the operator how to accurately position the finger to capture the best possible fingerprint quality. This assessment is performed prior to updating the fingerprint imaging system files. The quality threshold is adjustable and can be raised or lowered based on the operational environment.

2.4.16.2 NEC Hosted Disaster Recovery

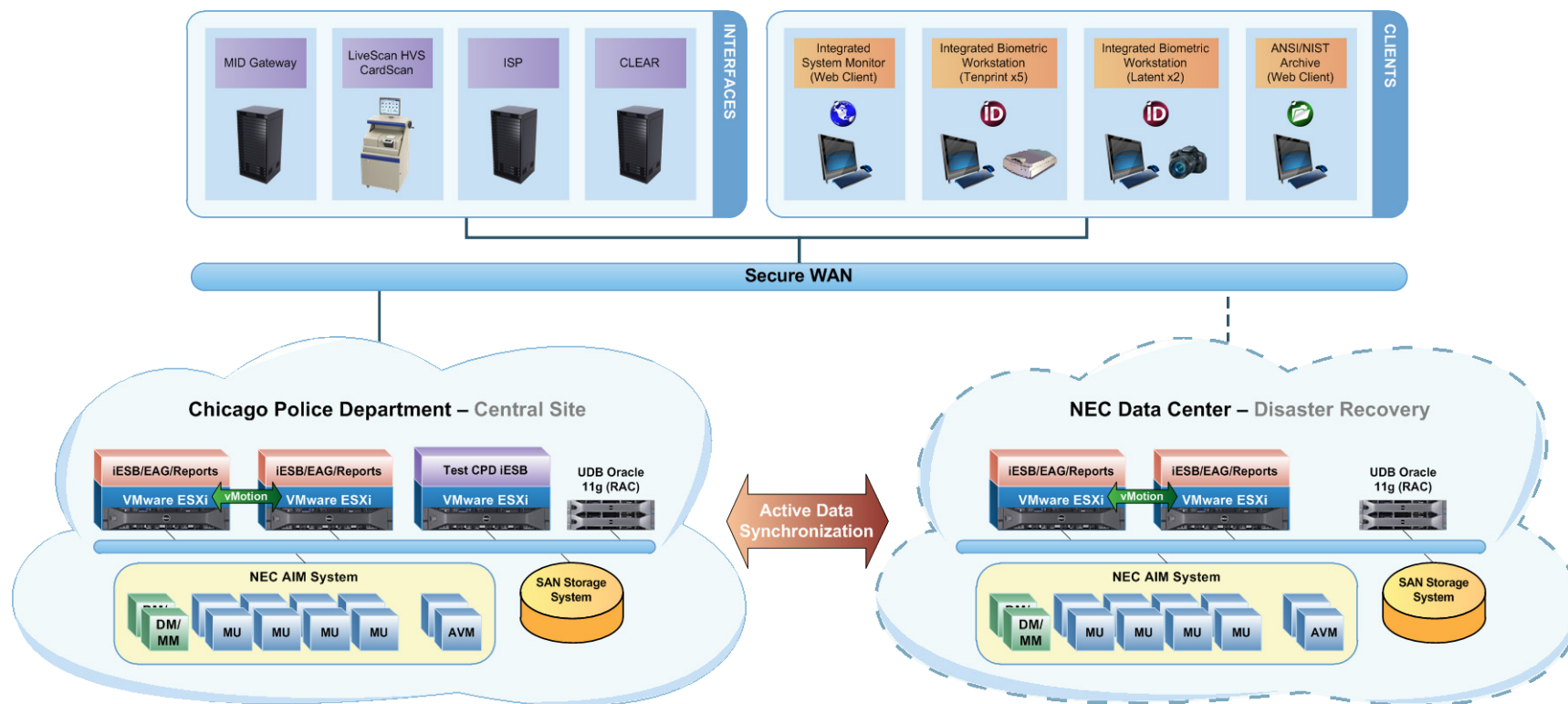
The Integra-ID disaster recovery (DR) solution will deliver a managed service platform seamlessly integrated with current processes, enabling CPD to continue providing services in the event of a disaster. To avert the risk of either man-made or natural disasters, NEC will provide disaster recovery and business continuity operations in an FBI CJIS compliant NEC data center. NEC maintains data centers in Rancho Cordova, CA and Irving, TX, both equipped with battery backup, a secure data center, and on-site support personnel.

NEC has experienced staff, CJIS-compliant facilities, and system support and management processes already in place.

The benefits and system design parameters of the cloud-based DR system include:

- A DR solution in an FBI CJIS audited computer room managed by NEC, placing the onus on NEC to maintain the system in a geographically separate location from the production system.
- Near real time replication of the CPD MBIS and Archive database for assured data integrity, reducing any risk of data loss.
- The ability to resume search functions within four (4) hours of switchover to disaster processing, allowing CPD to resume processing of criminal and inmate transactions.
- All functions and interfaces currently available to Chicago users are replicated on the DR system to maintain current functionality, including CLEAR and the connection to ISP for tenprint and latent searches.
- Dynamic workflow management to instantly change system workflows and reporting requirements without system interruption, allowing for possible disruptions in the MBIS-CCH interface.
- NEC performs remote management through our Network Operations Center (NOC). This center provides 24-hour, real-time monitoring. This RMS package gives NEC the ability to provide a number of different monitoring/diagnostic tools and resources that are used as part of the overall check for system integrity.
- Open architecture and compliance to NIST standards.

Figure 19: Disaster Recovery Configuration



2.4.16.3 CPD Business Continuity

The CPD Business Continuity option will use ISP for continuity of identification services in the case of a disaster befalling the CPD MBIS. The Business Continuity platform consists of a COOP server and storage for up to six (6) months of CPD normal transactions. The COOP server will:

- Store tenprint transactions on local storage.
- Forward transactions to ISP for processing.
- Receive ISP and FBI responses and distribute to the appropriate entity.
- Use the ISP ESSO and ULW capabilities to allow CPD to search latents on ISP and the FBI.
- When the CPD system is recovered, use the local COOP storage to bring the CPD MBIS and Archive database up to date.

3 PROJECT SCOPE

NEC's current MBIS offering, Integra-ID, is a turnkey solution designed to meet CPD's precise needs and specifications. Table 8 is an overview of the NEC proposed project scope and deliverables.

Table 8: Project Scope and Deliverables

SCOPE	DELIVERABLES
Integra-ID MBIS and Archive Solution	<ul style="list-style-type: none">• iESB Transaction Controller• Unified Database (with a design capacity as described in "Design Parameters")• AIM Match Manager, Data Manager, AVM (Advanced Verification Manager, used for 1:1 matching and Latent secondary matching), and Match Units (to meet "Design Parameters")• Archive Module• (5) IBW Tenprint Workstations (Tenprint, Verification, NSW), each with:<ul style="list-style-type: none">▪ Flatbed Scanner• (2) IBW Latent Workstations, each with:<ul style="list-style-type: none">▪ Latent Camera▪ Flatbed Scanner• (1) Print Server with:<ul style="list-style-type: none">▪ FBI IQS Appendix F Certified Printer to print all card formats on blank card stock• (3) Color Network Printers to print from any device on the network

SCOPE	DELIVERABLES
Development of Interfaces	<ul style="list-style-type: none"> • NIST SSO • ESSO Feature • ULW • Livescan Interface • Archive Interface • CCH Interface (to CPD CLEAR system) • Mobile ID Gateway Interface
Data Conversion	Defined in “Design Parameters”
Workflows Design and Configuration	<ul style="list-style-type: none"> • (1) Tenprint Workflow (as defined in “Workflow Overview”) • (1) Latent Workflow (as defined in “Workflow Overview”) • (1) Lights out rapid identification workflow for MID and Fast-ID searches
Project Management Services	Described in “Project Management”
Implementation Services	<ul style="list-style-type: none"> • SOW/Requirements document development • Solution configuration • Factory Acceptance Test • Installation and installation testing • Site Acceptance Test
User Training Services	<ul style="list-style-type: none"> • Tenprint Operator Training for (25) resources • Latent Operator Training for (12) resources • Archive Operator Training for (25) resources • System Administrator Training for (5) resources • FastID Training (optional) • User Documentation
Annual Maintenance	24 x 7 support with 8 x 5 onsite Field Service Engineer for the NEC provided hardware and software components

A formal Scope of Work (SOW) will be delivered to CPD defining work activities, deliverables, timelines, and responsibilities of NEC and CPD respectively based on the proposed solution. CPD and NEC acceptance of the SOW is required prior to the start of the implementation activities. Coupled with the SOW will be an Implementation Plan defining responsibilities and resources of both parties.

4 INTEGRA-ID PROFESSIONAL SERVICES

4.1 Professional Services

NEC's Professional Services are based on a well-established lifecycle model and our experience in implementing Multimodal Biometric Identification Systems. Using proven methodologies to verify total system capability and reliability, NEC conducts extensive integration testing designed to assess all system interactions, including functionalities and applicable interfaces.

4.2 Project Management

The NEC organization implements projects using methodology tied to the Project Management Body of Knowledge (PMBOK) from the Project Management Institute (PMI). The NEC Project Manager will use the NEC project lifecycle methodology and the current PMBOK standards to ensure a quality implementation, and to provide a comprehensive interface with CPD during the total project.

4.3 NEC Responsibilities

NEC will designate a Project Manager who will direct NEC's efforts and serve as the primary point of contact for CPD. The responsibilities of the NEC Project Manager may include:

- Maintain project communications with the CPD Project Manager.
- Manage the efforts of NEC staff and coordinate NEC activities with the CPD Project Manager.
- Measure, evaluate, and report progress against the Project Schedule.
- Resolve deviations from the Project Schedule.
- Monitor the project to ensure that NEC resources are available as scheduled and as identified in the contract.
- Coordinate and oversee the installation of all licensed NEC application software.
- Review and administer change control procedures through the CPD Project Manager, commonly referenced as Project Change Orders, issued by the NEC Project Manager.
- Conduct status meetings via telephone or email with the CPD Project Manager. NEC will schedule status meetings to occur as defined within the Communications Plan.
- Provide timely responses to issues related to project progress raised by the CPD Project Manager.

- Prepare and submit periodic status reports that identify the activities of the previous reporting period, as well as activities planned for the current reporting period, as defined within the Communications Plan.
- Work with CPD project personnel in designing and approving the format of an Action Item Log to be used in conjunction with the Project Schedule. The purpose of the log is to identify outstanding issues, provide continual status updates on specific tasks, and identify responsibilities of the parties.

4.4 CPD Project Responsibilities

CPD will designate a Project Manager who will direct CPD's efforts and serve as the primary point-of-contact to NEC. The responsibilities of the CPD Project Manager may include:

- Maintain project communications with NEC's Project Manager.
- Identify the efforts required of CPD to meet CPD's task requirements and milestones in the SOW and Project Schedule.
- Review the preliminary Project Schedule with NEC's Project Manager and assist NEC in developing a finalized Project Schedule defining the detailed tasks and a schedule of NEC and CPD responsibilities.
- Assist NEC in measuring and evaluating progress against the Project Schedule.
- Monitor the project to ensure that CPD resources are available as scheduled.
- Attend status meetings with NEC's Project Manager.
- Unless otherwise agreed to by the parties, provide information and documentation required by NEC within five (5) business days of NEC's request.
- Liaise and coordinate with other CPD agencies, other governmental agencies, and CPD's vendors, and contractors.
- Review and administer change control procedures, hardware and software certification, and all related project tasks required to maintain the implementation schedule.
- Ensure acceptable Standard Change Request and Approval Letters are approved by authorized signature(s).
- Work with NEC personnel in designing and approving the format of an Action Item Log to be used in conjunction with the project schedule. The purpose of the log is to identify outstanding issues, provide continual status updates on specific tasks, and identify responsibilities of the parties.
- Provide building access to NEC personnel to all facilities where the system is to be installed during the project.
- Provide proper security clearances and/or escorts as required to access the CPD site.

4.5 Project Plan

NEC is prepared to begin the project immediately following contract completion. Presented below in Table 9 is a preliminary milestone schedule that starts with contract signing and covers a period of approximately eleven (11) months from the completion and signoff of the project Scope of Work. The schedule includes milestones, action items, and responsibilities of NEC and CPD.

4.6 Milestone Schedule

Table 9: Milestone Schedule

TASK GROUP	DURATION	TASKS	DELIVERABLES
Contract Award and Negotiation	8 Weeks	<ul style="list-style-type: none"> Site Survey Pre-planning Develop Scope of Work 	<ul style="list-style-type: none"> Signed Contract Purchase Order Site Survey Report Draft Scope of work
Network Definition, Workflow Specification, Record Layouts	10 Weeks	<ul style="list-style-type: none"> Current Workflow and Process Audit Current Paperwork Audit Discuss MBIS Design Concepts Meetings to Discuss Record Layouts, Network, and Interface Design Details 	<ul style="list-style-type: none"> Maintenance Plan Network Definition Tenprint Workflow Specification Latent Workflow Specification NIST Record Layout Latent Data Field Record Layout Livescan Interface Specification Implementation Plan
Electronic Conversion	6 Months	<ul style="list-style-type: none"> Conversion System Setup 	<ul style="list-style-type: none"> Load data
Testing, Implementation, Certification, Training	12 Weeks	<ul style="list-style-type: none"> Hardware Installation Software Installation MBIS Certification Audit Functional Compliance Check User Training System Certification 	<ul style="list-style-type: none"> SW Modifications Resulting from Testing MBIS Readiness Certification User Training User Documentation System Functional Certification

4.7 Acceptance Testing

NEC, with CPD participation, will conduct a Factory Acceptance Test (FAT) in Rancho Cordova, CA. The FAT is part of a comprehensive testing program and involves key resources visiting our facilities in Rancho Cordova, CA for a multi-day test to review and evaluate solution functionality against your requirements. The FAT:

- Provides a mechanism for CPD to become familiar with the software early in the process.
- Ensures system quality by validating functionality prior to shipping.
- Reduces risk by identifying and addressing issues prior to shipping, leading to a smoother implementation.
- Ensures that your expectations are met.

NEC will perform a System Acceptance Test (SAT) on site at the CPD location. The SAT involves testing system throughput and accuracy in your user environment and with CPD networks and interfaces. A subset of functional testing may occur at this point depending on the scope and results of the FAT.

4.8 Assumptions

In an effort to make the installation process the most efficient and effective, NEC has made the following assumptions and will require these deliverables from the CPD Project Manager, in order to deliver a turnkey system:

- Wide area network (WAN) and local area network (LAN) infrastructure and appropriate data lines for efficient MBIS-central site operation.
- Tenprint NIST record layout (Types 1, 2, 4, and 15) is required. Inter-MBIS tenprint connectivity capability has been developed based on compliance with national standards (ANSI/NIST, FBI, and IAFIS).
- Latent data field record layout is required.
- The customer is responsible for providing IP addresses as required for implementation into existing network infrastructure.
- Facility, per NEC's specifications, is available for the MBIS Backend.
- The customer shall be responsible for the MBIS facility and site preparation.
- Training as defined in Project Scope above.
- The customer is responsible for providing all external system(s) interface specifications, external modifications, and testing with the NEC MBIS interface. NEC is not responsible for delays caused by external system interface providers in meeting the NEC delivery schedules.

4.9 Training and Documentation

NEC understands that adequate training and documentation are critical to any successful system implementation. To satisfy these requirements, NEC will provide a detailed training plan, comprehensive training sessions to ensure proper operation and management of the proposed system, and user documentation to reinforce classroom and hands-on instruction. For optimal knowledge transfer, we request that CPD ensure its personnel will be available for training at mutually agreed upon training dates and to provide the infrastructure to connect the training workstations to the Integra-ID system.

Class size and duration is also dependent on the number of workstations. In an effort to provide the most efficient, effective, and personalized training, NEC strongly recommends that latent and tenprint training involve a maximum of two latent examiners or tenprint technicians per workstation.

4.9.1 Integra-ID Training Programs

A summary of available Integra-ID training programs is presented below. The programs include training on all functions required to effectively administer, operate, and maintain the proposed system. At the completion of the described training programs, CPD personnel will:

- Demonstrate a working understanding of all functionality the proposed system provides for each program.
- Demonstrate a working understanding of the end-to-end workflow associated with each specific program and area of responsibility.
- Provide operational support to maintain continuity of operations.

4.9.1.1 Tenprint Operator Program

This course provides instruction on the preparation, input, search, verification, and disposition of tenprint cards. Topics covered include fingerprint orientation, MBIS pattern types and referencing, equipment operation, operational procedures, and livescan transaction workflow.

Recommendation: Novice users performing verifications should have experience in the Henry system of pattern definitions and pattern recognition, as well as fingerprint identification and comparisons. This recommendation is not applicable for novice users performing tenprint input only.

4.9.1.2 Latent Operator Program

This course provides instruction on the preparation, input, search, verification, and disposition of latent prints. Topics covered include latent fingerprint core and axis placement, MBIS pattern types and referencing, equipment operation, and operational procedures.

Recommendation: At least one year of experience as a latent examiner in the Henry system of pattern definitions and pattern recognition, as well as latent fingerprint identification and latent comparisons.

4.9.1.3 Archive Operator Program

This course provides instruction on the NIST Archive repository of records containing fingerprint and/or palmprint images, demographic data, and related documents or information. Instruction will also include search and retrieval of records and information, upload of documents, and database maintenance functionality.

4.9.1.4 System Administrator Program

The objective of the System Administrator Program is to train managers, supervisors, and/or system administrators responsible for overseeing day-to-day MBIS operations with respect to workflow management, efficient use of personnel, quality control, and basic tenprint and latent operations. Candidates should be experienced in identification, management, tenprint and latent fingerprint operations, and should have basic fingerprint knowledge. In addition, the supervisors will receive training in system and workstation operations, administration procedures, workflow analysis, and quality control.

4.9.1.5 Optional System Enhancements Training

The following training programs will be included depending on which optional system enhancements CPD chooses.

4.9.1.5.1 FastID Operator Program

This course provides hands-on instruction on the FastID workstation. The FastID workstation allows an operator to quickly scan a subject's fingerprints and perform a 1:1 or 1: N search for matching candidates. Instruction will include how to accurately position the finger to capture the best possible fingerprint quality.

4.9.2 User Documentation

As a standard deliverable, NEC will provide user documentation that will include guided step-by-step instructions for performing all operational procedures, functions, and commands specific to each application.

5 WARRANTY AND MAINTENANCE SERVICES FOR THE TRADITIONAL MBIS SOLUTION²

NEC has maintained MBIS installations in North America since 1983 and understands the mission critical role that MBIS provides. This is especially true of agencies that rely on immediate identification as part of their booking process. Before expiration of the one-year warranty period, NEC will provide CPD with a comprehensive Maintenance Agreement designed to keep all system components, both hardware and software, in proper working order over the life of the system.

NEC will work with CPD to assist in determining the level of preventive maintenance required, ensuring maximum performance of the Integra-ID system. NEC maintenance plans are very flexible and designed to meet the unique needs of MBIS managers.

During the one-year warranty period, NEC will provide the same level of coverage that CPD receives today. NEC will provide 24 x 7 coverage for the Integra-ID system and an 8 x 5 onsite engineer during the warranty period. The one-year warranty will include advanced remote diagnostics and maintenance and back-up support from regional MBIS sites as well as the NEC National Support Center based in our headquarters office in Rancho Cordova, CA.

5.1 Maintenance Features

- VPN/Remote Support is standard and will be used to provide first- and second-level support, as required.
- Local spare parts inventory of critical components if NEC is responsible for hardware maintenance.
- Staff of management and engineers who have years of expertise and experience in large- and small-scale MBIS support and maintenance.
- NEC will support all MBIS hardware and software installed.

² All references to hardware maintenance and spare parts assume that NEC will supply all hardware and software components and provide the maintenance. If CPD chooses to supply any hardware or software components, NEC will not be responsible for the warranty for these items unless all specifications that NEC prescribes are met. NEC will apply additional costs for warranty services to cover any components that are not supplied by NEC. This proposal does not include pricing for additional warranty costs to cover non-NEC provided components.

5.2 Warranty

For the Traditional MBIS upgrade option, NEC will provide CPD with a one-year warranty which provides 24 x 7 coverage for the proposed Integra-ID system and an 8 x 5 onsite engineer. This warranty will cover only NEC provided hardware and software components. Warranty begins upon system acceptance.

6 MAINTENANCE SERVICES FOR THE IDaaS SOLUTION

If CPD selects the IDaaS solution, there will be no warranty. NEC will provide 24 x 7 coverage for the Integra-ID system and an 8 x 5 onsite engineer. The 24x7 support includes advanced remote diagnostics and maintenance and back-up support from regional MBIS sites as well as the NEC National Support Center based in our headquarters office in Rancho Cordova, CA.

6.1 Maintenance Features

- VPN/Remote Support is standard and will be used to provide first- and second-level support, as required.
- Local spare parts inventory of critical components if NEC is responsible for hardware maintenance.
- Staff of management and engineers who have years of expertise and experience in large- and small-scale MBIS support and maintenance.
- NEC will support all MBIS hardware and software provided and installed by NEC.

7 BUDGETARY PRICING

7.1 CPD Integra-ID MBIS Solution

Table 10: CPD Integra-ID MBIS Solution Budgetary Pricing

CPD INTEGRA-ID MBIS SOLUTION BUDGETARY PRICING
Traditional Integra-ID Solution
MBIS Backend Servers and Peripherals
NEC Software Licenses including: <ul style="list-style-type: none">• AIM Matching Subsystem License• iESB Transaction Manager License• UDB Database License• ISM System Administrator and Reporting Software• Archive Applications
Third-Party Software Licenses, including: <ul style="list-style-type: none">• Oracle• VMware• NetVault• Acronis Backup and Recovery
NEC Integra-ID Workstations: <ul style="list-style-type: none">• (5) Tenprint/Verify Workstation Hardware and IBW Licenses• (2) Latent Workstation Hardware and IBW Licenses
Workstation Third-Party Software Licenses, including: <ul style="list-style-type: none">• Aware WSQ 1000• Aware AccuScan
Integra-ID Print Server Hardware and Software Licenses
Interfaces
NIST SSO
ESSO Feature
ULW
Livescan Interface
Archive Interface
CCH Interface

CPD INTEGRA-ID MBIS SOLUTION BUDGETARY PRICING	
Mobile ID Gateway Interface	
Professional Services	
Requirements and Process Identification Analysis	
Program Management	
Data Conversion and Migration	
Integration and Installation	
Training Services	
<ul style="list-style-type: none"> • Tenprint Operator Training for (25) Persons • Latent Operator Training for (12) Persons • Archive Operator Training for (25) Persons • System Administrator Training for (5) Persons 	
Documentation	
1-Year Warranty	
Traditional Integra-ID Solution Purchase Price	\$3,885,000
Annual 24 x 7 Maintenance with 8 x 5 Onsite Support	\$454,406

Table 11: Optional Integra-ID MBIS IDaaS Solution Budgetary Pricing

CPD INTEGRA-ID MBIS SOLUTION PURCHASE BUDGETARY PRICING	
Project Initiation Fee	\$1,945,000
Service Fee: 7 Year Contract Term	\$986,350 Annually
Annual 24 x 7 Maintenance with 8 x 5 Onsite Support	Included

7.2 Conditions

This is a quotation on the goods named, subject to the conditions noted below:

The following terms and conditions apply to both the Solution Purchase and IDaaS options:

- Quote is valid for one hundred eighty (180) days after submission.
- This quotation is for budgetary purposes only and does not represent a final offer or price.
- Training is only for the numbers of persons specified under each option in the “Project Scope” section. Additional persons or classes will be at an additional cost.
- The above pricing does not include networking fees.
- MBIS will be located at CPD facilities and must meet NEC qualifications.
- CPD network infrastructure responsibilities detailed in Section 8.2.1 below.
- The price does not include applicable State/Federal taxes. Any taxes shall be in addition to the prices listed, and, if required to be collected or paid by NEC, shall be paid by Customer to NEC. Unless specified otherwise in this Quote, Customer acknowledges that this purchase constitutes a bundled transaction or mixed transaction for sales tax purposes, and, as such, is fully subject to sales tax. If claiming a sales tax or similar exemption, Customer must provide NEC with valid tax exemption certificates prior to delivery.

The following terms and conditions apply to the Solution Purchase only:

- MBIS is agency-owned.

The following terms and conditions apply to the IDaaS Solution only:

- MBIS is NEC-owned and provided to CPD as a service.
- Annual Service Fee commences upon System Acceptance with no warranty period.
- Wide Area Network connection between CPD facilities and NEC’s Rancho Cordova facility is required. CPD is responsible for providing this line.

8 INTEGRA-ID MBIS REQUIREMENTS

8.1 Bandwidth Requirements

MBIS applications utilize bandwidth on an on-demand basis. Normal, idle operations require minimal bandwidth for connectivity checks to the central server, job queue updates, etc. Usage bandwidth is characterized by peaks of activity dependent upon the operation (scanning a tenprint card, viewing a list of candidates, etc.). Additional factors include fingerprint image resolution (500 ppi vs. 1000 ppi) and search throughput design.

Table 12 and Table 13 list dedicated bandwidth allocations required per device. These requirements indicate the minimum necessary bandwidths for a productive user experience. Additional bandwidth will enhance performance accordingly.

Table 12: Bandwidth Requirements – Remote Sites

REMOTE PRODUCT TYPE	500 PPI	1000 PPI
Biometric Workstation (Latent, Tenprint, Palmprint, Archive*)	1.5 Mb	4 Mb
Integra-ID (MBIS to MBIS connection) to ISP	1.5 Mb	4 Mb

Table 13: Bandwidth Requirements – Central Site

CENTRAL SITE PRODUCT TYPE	500 PPI	1000 PPI
Biometric Workstation (Latent, Tenprint, Palmprint)	100 Mb Fast Ethernet	1 Gb Ethernet
Inter-MBIS Server Communication†	1 Gb Ethernet	1 Gb Ethernet
Central Site Remote Connection (inbound/outbound traffic to remotes‡) to Disaster Recovery System	10 Mb	25 Mb

* Archive usage is based upon average document sizes of 700 KB.

† Inter-MBIS server networking is provided by NEC; all other networking costs are the responsibility of the customer.

‡ Up to 12 workstations are supported for the 10 MB (500 ppi)/25 MB (1000 ppi). If the device count exceeds that, the line speed needs to be increased in proportion with the number of workstations.

8.2 Customer Network Requirements

The customer agrees and acknowledges that it is incumbent upon them to provide the necessary network infrastructure. At the customer's request and at an additional cost, NEC can provide network analysis services prior to the deployment of the Integra-ID system. This analysis is helpful in accounting for the impact of additional network traffic, such as livescan submissions or VOIP, and determining network needs and health.

8.2.1 CPD Network Infrastructure Responsibilities

In support of this proposal, CPD is responsible for the following:

- CPD will be responsible for CJIS security compliance, including:
 - Advanced authentication.
 - Encryption of Criminal Justice Information (CJI) on the mobile device.
 - Encryption of CJI in communication.
- CPD will be responsible for providing the wide area network (WAN) and local area network (LAN) infrastructure for the Integra-ID system, as well as remote FastID and Integra-ID workstations.
- Integra-ID supports standard TCP/IP protocols. Network TCP/IP addresses and any network enhancements required to provide access to Integra-ID are the responsibility of CPD.
- CPD is responsible for the site preparation (environmental and power), and NEC shall be consulted concerning the Integra-ID system components and associated equipment layout.
- CPD is responsible for integration testing of all existing Livescan systems that currently submit to CPD.
- CPD is responsible for providing system(s) interface specifications, external modifications, and testing with the Integra-ID interface.
- NEC is not responsible for any delay caused by external system interface providers in meeting the NEC delivery schedules.
- The specification related to data format, transmission, and testing for all proposed interfaces will be clearly defined in the Scope of Work (SOW), which will be mutually agreed upon prior to execution.
- NEC assumes CPD will utilize their existing NIST EBTS Type 2 fields and format, as well as the existing interface protocols and specifications. Testing of interfaces is assumed to utilize simulators for Factory Acceptance Testing, and actual production interfaces during on-site testing.

9 ADDITIONAL TERMS AND ASSUMPTIONS

This proposal and quote is valid for one-hundred eighty (180) days from the date of submission. It includes only those goods and services it specifically references, subject to the following terms and conditions.

Additional engineering effort beyond the scope of the standard product will be quoted at a firm fixed price based on our current service rates in effect at the time of the change, plus any related travel or administrative expenses.

At any time before Acceptance, NEC reserves the right to add, delete, and/or substitute items of Equipment and Software comprising the Integra-ID MBIS, Archive, and Workstations, provided that such substitution will not adversely affect system functionality and performance.

NEC reserves the right to substitute hardware of equal value with equal or better capability, based upon market availability. If, however, such equipment is unavailable, NEC will make its best effort to provide a suitable replacement.

Purchase orders should be sent to NEC by facsimile or United States mail. Please direct all order correspondence, including Purchase Order, to:

Raffie Beroukhim
NEC Corporation of America
10850 Gold Center Drive, Suite 200
Rancho Cordova, CA 95670
Tel: (800) 777-2347, (916) 463-7000
Fax: (916) 463-7041
Email: raffie.beroukhim@necam.com

NEC appreciates the opportunity to present this proposal. Product purchase will be governed by the NEC System and Services Sales Agreement and End User License Agreement, copies of which are attached for your convenience in “Exhibit A – Standard Agreements.” In the event that CPD elects to move forward with the IDaaS-based upgrade approach, the attached Managed Hosting Services Agreement (Exhibit B) will replace the System and Services Sales Agreement.

NEC respectfully requests the opportunity to further negotiate final terms relating to these agreements. Firm delivery schedules will be provided and development will commence after CPD and NEC have signed the finalized Scope of Work.

Prices are exclusive of any and all state or local taxes, or other fees or levies. No subsequent Purchase Order can override such terms. Nothing additional shall be binding upon NEC unless a subsequent agreement is signed by both parties.

10 EXHIBIT A – STANDARD AGREEMENTS

A copy of NEC’s System and Services Sales Agreement and End User License Agreement begins on the following page.



SYSTEM AND SERVICES SALES AGREEMENT

This Agreement is made by and between **NEC Corporation of America**, a Nevada corporation with a place of business at 6535 N. State Hwy 161, Irving, Texas 75039 (hereinafter referred to as "CONTRACTOR") and _____ (hereinafter referred to as "CUSTOMER") (collectively, the "Parties" or individually a "Party").

This AGREEMENT includes following Exhibits:

- Exhibit I – Payment Milestones
- Exhibit II – System Description and Equipment List
- Exhibit III – AFIS Software End User License Agreement
- Exhibit IV – Scope of Work

WITNESSETH

WHEREAS CUSTOMER requires the furnishing and installing of automated fingerprint identification equipment and goods and services related thereto, and licensing of required software; and

WHEREAS CUSTOMER desires to purchase said equipment and services, and license such software, subject to the terms and covenants hereinafter contained; and

WHEREAS CONTRACTOR desires to sell such equipment and services, and license such software, as hereinafter defined, to CUSTOMER pursuant to the terms and conditions and for the purposes set forth in this AGREEMENT.

NOW, THEREFORE, for and in consideration of the premises and covenants hereinafter contained, the parties hereto agree as follows:

1. DEFINITIONS

1.1 Where any word or phrase defined below, or a pronoun used in place thereof, is used in any part of this AGREEMENT it shall have the meaning herein set forth.

- | | |
|---------------------------|---|
| A. ACCEPTANCE OR ACCEPTED | Successful completion of the Acceptance Test stated in Section 7, hereof. |
| B. ACCEPTANCE TEST PLAN | The level of accuracy and SYSTEM throughput performance rates mutually agreed upon by the Parties and guaranteed by CONTRACTOR. |

C. EQUIPMENT	The equipment listed in Exhibit II hereto.
D. AFIS SOFTWARE	The Automated Fingerprint Identification System software licensed and supplied with the SYSTEM.
E. SYSTEM	The totality of the EQUIPMENT and AFIS SOFTWARE
F. SYSTEM DOCUMENTATION	User and operator manuals and any other documentation provided to CUSTOMER with the SYSTEM. The following documentation shall constitute this AGREEMENT and in the event of any inconsistency between the provisions of this AGREEMENT, the inconsistency shall be resolved by giving precedence in the following order:
G. AGREEMENT	<ol style="list-style-type: none"> 1. This document entitled " SYSTEM AND SERVICES SALES AGREEMENT" and any Exhibits specified herein; 2. SCOPE OF WORK; and 3. CONTRACTOR's Proposal.
H. SCOPE OF WORK	The SCOPE OF WORK ("SOW") describes the delivery of Equipment and services, customization, functionality and performance as mutually prepared and agreed upon by the Parties.
I. PRODUCTIVE USE OF THE SYSTEM	Use of the SYSTEM by the CUSTOMER except for testing or training whereby the input, match, and registration of fingerprints from applicants, arrestees or crime scenes are occurring.
J. THIRD PARTY SOFTWARE	Any third-party software installed on the SYSTEM and any other software not considered AFIS SOFTWARE.
K. SITE PREPARATION PLAN	A Site Preparation Plan is the document which denotes system specifications which pertain to the housing of an SYSTEM in the CUSTOMER's environment.

2. **TERM OF AGREEMENT**

2.1 This AGREEMENT shall become effective on the day that it is signed by both CONTRACTOR and CUSTOMER and shall continue in effect thereafter unless terminated under Section 9. If the Parties sign on different days, the day of the last to sign shall be the effective date ("Effective Date").

2.2 This AGREEMENT shall be subject to all budgeting and fiscal requirements provided for by the laws of the State of [REDACTED]. It shall terminate without penalty at the end of any fiscal year in the event funds are not appropriated for the ensuing year. If funds are not appropriated for a portion of the fiscal year, this AGREEMENT will terminate, without penalty, at the end of the term for which funds are appropriated.

3. **SITE PREPARATION**

3.1 Unless CONTRACTOR has agreed by separate written agreement to perform site preparation services, CUSTOMER shall be responsible, at its expense, for all costs for preparing the installation site in accordance with a site survey report described below.

A site survey report describing any and all power, mechanical, and environmental conditions, requirements, and/or site modifications due precedent to the installation of the SYSTEM and which fully describes the responsibilities of both CUSTOMER and CONTRACTOR to effect such modifications or installations as may be required to install the SYSTEM is due for delivery to CUSTOMER no later than thirty (30) days following the Effective Date of this AGREEMENT.

3.2 If CONTRACTOR agrees to perform site preparation, then CONTRACTOR shall prepare the site in accordance with a separate Site Preparation Agreement between CONTRACTOR and CUSTOMER.

4. **DELIVERY, TITLE AND RISK OF LOSS**

4.1 The EQUIPMENT will be shipped via CPT Destination. CONTRACTOR will select the carrier for shipment and CUSTOMER will bear the shipping costs as specified in Exhibit II. Risk of loss shall pass to CUSTOMER upon shipment.

4.2 During the Warranty Period (as defined in Section 13.2), CONTRACTOR shall bear the cost of shipping and insurance when the EQUIPMENT is shipped for mechanical replacement or remedial maintenance purposes, unless such replacement was due to fault or negligence of CUSTOMER.

4.3 CONTRACTOR shall bear the cost of all import and export duties and related brokerage fees.

5. **DELIVERY**

5.1 All EQUIPMENT and AFIS SOFTWARE (as identified in Exhibit II) shall be delivered according to the SCOPE OF WORK attached hereto as Exhibit IV.

6. **INSTALLATION OF EQUIPMENT**

- 6.1 CONTRACTOR shall install the EQUIPMENT and otherwise prepare the SYSTEM ready for acceptance testing.
- 6.2 Any changes by CUSTOMER to an order or any part thereof may require the establishment of a new and/or additional mutually agreeable installation date.
- 6.3 The SYSTEM shall not be considered ready for acceptance testing until CONTRACTOR provides CUSTOMER with a written notice, signed by CONTRACTOR that the SYSTEM has been installed and is ready for acceptance testing.
- 6.4 CUSTOMER shall provide CONTRACTOR all necessary access to all installation sites for the purpose of installing EQUIPMENT prior to the installation date.

7. **ACCEPTANCE TEST PLAN AND ACCEPTANCE TEST**

- 7.1 The ACCEPTANCE TEST PLAN shall be prepared and agreed upon by both Parties and is the reflection of the SOW agreed between the Parties. ACCEPTANCE shall occur upon the date of successful completion of acceptance testing as specified in Section 7.2. ACCEPTANCE under Section 7.2, below shall be final and not subject to any revocation by CUSTOMER.
- 7.2 The ACCEPTANCE TEST shall be conducted expeditiously. Within three (3) days of CONTRACTOR's written notice that the SYSTEM has been installed and is ready for acceptance testing, CUSTOMER's personnel shall begin to conduct acceptance testing. CUSTOMER shall complete the acceptance testing within the timeframe allowed in the ACCEPTANCE TEST PLAN. The SYSTEM shall be ACCEPTED on the date that the ACCEPTANCE TEST PLAN is successfully completed or Parties agree to acceptance with a list of deficiencies (punch list) or when the SYSTEM is in PRODUCTIVE USE by the CUSTOMER as provided in Section 8, whichever occurs first. If the acceptance testing discloses operational deficiencies in the SYSTEM, the Parties shall prepare and mutually agree to a detailed list of all such deficiencies. CONTRACTOR shall correct all deficiencies placed on the list of deficiencies according to a mutually agreed timeframe. In the event that the SYSTEM fails to pass acceptance testing as described in the ACCEPTANCE TEST PLAN, CUSTOMER shall repeat the execution of the ACCEPTANCE TEST PLAN once CONTRACTOR has made the necessary changes and to accept the SYSTEM either without deficiency or with a mutually agreed deficiency list and correction timeframe

8. **PRODUCTIVE USE**

In the event any EQUIPMENT or AFIS SOFTWARE delivered after the date of execution of this Agreement is put into PRODUCTIVE USE by the CUSTOMER, notwithstanding any failure to pass any ACCEPTANCE TEST, the applicable warranty provided shall commence and CUSTOMER shall pay the remaining balance of all monies due. In the event such PRODUCTIVE USE extends for a cumulative duration in excess of sixty (60) days, then the EQUIPMENT and AFIS SOFTWARE shall be deemed ACCEPTED. Productive Use means CUSTOMER's use of the EQUIPMENT or AFIS SOFTWARE for any purposes other than testing or training, including but not limited to any use in connection with CUSTOMER's normal workload.

9. **TERMINATION**

- 9.1 An event of default shall occur (i) if CUSTOMER fails to pay any sum when due; or (ii) if either Party fails to perform or observe any material covenant or agreement to be performed or observed herein. For purposes of this AGREEMENT, a material covenant or agreement shall be defined as one stated in this AGREEMENT, the breach of which would likely cause the other Party to suffer material harm to its business or reputation.
- 9.2 Upon the occurrence of any event of default by CUSTOMER described herein and unless such default is cured pursuant to the provisions stated herein, at any time thereafter, CONTRACTOR may, in its sole discretion and approval, do one or more of the following: (i) upon written notice to CUSTOMER, terminate this AGREEMENT; (ii) recover all sums then due and payable from CUSTOMER; (iii) demand the return of all confidential information and property of CONTRACTOR held by Company, including but not limited to any documentation related to services and the SYSTEM, (iv) suspend the installation or delivery of EQUIPMENT, SOFTWARE or provision of services, (v) render the SYSTEM inoperable; (vi) suspend any warranty or service obligations; or (vii) proceed by court order to enforce the terms hereof or recover damages for breach hereof.
- 9.3 Except as expressly set forth below, prior to enforcing any remedies stated herein the Party claiming default shall provide the other Party with a written statement detailing the event of default. The other Party shall have thirty (30) days (fifteen (15) days in the event of payment default as stated above) from receipt of such written statement to cure the default. If the default is not resolved within the time stated above then the aggrieved Party may seek the remedies set forth above.
- 9.4 Nothing herein shall prohibit either Party from seeking a temporary restraining order, preliminary injunction or other equitable relief (particularly in the event of a default arising out of the confidentiality provisions) from a court of competent jurisdiction if, in such Party's judgment, such action is necessary to avoid irreparable damage or to preserve the status quo.

10. **PRICE AND PAYMENT**

- 10.1 Prices for the SYSTEM purchased/licensed and related services under this AGREEMENT shall be \$ [REDACTED] in U.S. Dollars, in accordance to the Payment Milestones attached hereto as Exhibit I. Any taxes shall be in addition to the prices listed and if required to be collected or paid by CONTRACTOR shall be paid by CUSTOMER to CONTRACTOR. Unless specified otherwise in this Agreement, Customer acknowledges that the purchase of the SYSTEM constitutes a bundled transaction or mixed transaction for sales tax purposes and, as such, is fully subject to sales tax. If claiming a sales tax or similar exemption, CUSTOMER must provide CONTRACTOR with valid tax exemption certificates where deliveries are to be made prior to delivery of the SYSTEM.

- 10.2 Payment is due within thirty (30) days from the date of invoice. Any invoices not paid within thirty (30) days of the dates specified above shall incur a service charge at the rate of one and one half percent (1 1/2%) per month on any outstanding overdue balance.
- 10.3 Purchase Order means a CUSTOMER-issued document used for ordering Services under this Agreement. All Purchase Orders are subject to review and acceptance by an authorized representative of CONTRACTOR. No preprinted Purchase Order terms shall be binding upon CONTRACTOR, unless otherwise expressly agreed to in writing by an authorized representative of CONTRACTOR.
- 10.4 All invoices will be sent to CUSTOMER via email ("E-Invoicing") using the email address(es) of the contact(s) provided to NEC by CUSTOMER in Section 4.3 below, unless CUSTOMER expressly elects to opt out of E-Invoicing. CUSTOMER agrees to notify NEC in writing, if CUSTOMER changes its contact(s) for the receipt of E-Invoicing. All payments are to be made in U.S. dollars. Payments may be made via approved credit cards at the time the applicable order is placed.
- 10.5 CUSTOMER's accounts payable contact for E-Invoicing shall be the following:
- Name: _____
Title: _____
Phone: _____
Email: _____

- 10.6 Remittance shall be sent to the following address unless otherwise directed by written instruction:

NEC Corporation of America
Lock Box 22529
22529 Network Place
Chicago, IL 60673-1225

11. **FORCE MAJEURE**

- 11.1 CONTRACTOR shall not be liable for any loss or damage resulting from delays in performance or from failure to perform due in whole or in part to insurrection, civil war, revolutions, war (declared or undeclared), any Governmental Act, fires, floods, epidemics, embargoes, lockouts, strikes or for any other cause or causes beyond the reasonable control of CONTRACTOR.

12. **TITLE/LICENSING**

- 12.1 CONTRACTOR certifies that title to the EQUIPMENT acquired under this AGREEMENT is free and clear of all liens and encumbrances. Title shall pass to CUSTOMER upon shipment.
- 12.2 CUSTOMER is granted a perpetual license only to use the AFIS SOFTWARE furnished under this AGREEMENT pursuant to the terms and conditions of the NEC Corporation of

America AFIS Software End User License Agreement attached hereto as Exhibit III and made a part hereof.

12.3 Some THIRD-PARTY SOFTWARE shall be licensed to CUSTOMER pursuant to the terms and conditions of the End User License Agreement delivered with such THIRD-PARTY SOFTWARE.

12.4 CUSTOMER hereby grants to CONTRACTOR a security interest in the EQUIPMENT furnished under this AGREEMENT and the proceeds thereof until the purchase price has been fully satisfied. CUSTOMER shall execute any documents CONTRACTOR reasonably deems necessary to perfect that security interest and, in any event, a copy of this AGREEMENT may be filed for that purpose at any time after signature.

13. **WARRANTY**

13.1 CONTRACTOR specifies that only new equipment which meets the published performance criteria of the manufacturer has been used in fabricating the SYSTEM. To the extent CUSTOMER purchases any Services hereunder, CONTRACTOR warrants and represents that competent, qualified personnel shall perform such services in a professional manner consistent with industry standards and such services shall meet the specifications described in Exhibit II.

13.2 For a period of twelve (12) months after the date of installation the SYSTEM will substantially conform to the specifications described in the SCOPE OF WORK. In the event that the SYSTEM fails to operate in accordance with this warranty during the Warranty Period, CUSTOMER's exclusive remedy and CONTRACTOR's sole liability shall be to repair the affected EQUIPMENT or provide a correction or workaround for any reproducible errors in the AFIS SOFTWARE.

13.3 The warranty is personal to CUSTOMER and may not be transferred. The warranty does not apply if any of the AFIS SOFTWARE or EQUIPMENT (a) has been altered, except by CONTRACTOR or its authorized representative, (b) has not been installed, operated, repaired, or maintained in accordance with CONTRACTOR's instructions, (c) has been subjected to abnormal physical or electrical stress, abnormal environmental conditions, misuse, negligence, or accident, or (d) fails to operate due to a malfunction by third party software or hardware not supplied by CONTRACTOR.

13. CUSTOMER is solely responsible for the evaluation of its software requirements and security measures. EXCEPT AS EXPRESSLY STATED IN SECTION 13 OF THIS AGREEMENT, CONTRACTOR AND ITS LICENSORS/SUPPLIERS PROVIDE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, REGARDING OR RELATING TO THE SYSTEM AND SERVICES PROVIDED HEREUNDER OR IN CONNECTION HERewith OR THAT THE AFIS SOFTWARE WILL OPERATE ERROR FREE AND WITHOUT INTERRUPTION. CONTRACTOR AND ITS LICENSORS/SUPPLIERS SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THOSE OF NONINFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT, INCLUDING BUT NOT LIMITED TO STATEMENTS REGARDING CAPACITY, SUITABILITY FOR USE OR PERFORMANCE, WHETHER MADE BY CONTRACTOR EMPLOYEES OR

OTHERWISE, WHICH IS NOT CONTAINED IN THIS AGREEMENT SHALL BE DEEMED TO BE A WARRANTY BY CONTRACTOR FOR ANY PURPOSE OR GIVE RISE TO ANY LIABILITY OF CONTRACTOR WHATSOEVER.

14. **RESERVED**

15. **CONFIDENTIAL INFORMATION**

- 15.1 Each Party understands and agrees that in the performance of work or services under this AGREEMENT, or in contemplation thereof, the other Party may have access to private or confidential information which may be owned or controlled by the other Party, and that such information may contain proprietary details, disclosures, or sensitive information which disclosure to or use by a third Party will be damaging or illegal. The receiving Party agrees that all information disclosed by the other Party which is in written form and which is marked confidential shall be held in confidence and used only in performance of services under this AGREEMENT. The receiving Party shall exercise the same standard of care to protect such information as is used to protect his own proprietary data.
- 15.2 "Confidential Information" as used herein shall mean the confidential and proprietary data, trade secrets, and information developed or acquired by either Party or any third-Party software provider and marked or clearly designated in writing as such. Confidential Information does not include any data or information which: (i) was in the receiving Party's lawful possession prior to the submission thereof by disclosing Party; (ii) is later lawfully obtained by the receiving Party from a third Party under no obligation of secrecy; (iii) is independently developed by the receiving Party; (iv) is, or later becomes, available to the public through no act or failure to act by the receiving Party; or (v) is required to be disclosed by law, regulation, or code.
- 15.3 The receiving Party will keep all Confidential Information in confidence, except as may otherwise be required by law or court order, and will not disclose, transfer, publish, sell, or license any item of Confidential Information to any person other than its employees, and employees of its parent company, agents, or the subcontractor who need to know the same in the performance of its duties and who are bound to protect such Confidential Information under terms at least as restrictive as those in this Agreement.
- 15.5 If CUSTOMER receives a third-Party request for Confidential Information, it shall promptly notify CONTRACTOR of the request. Unless CONTRACTOR first approves disclosure of the Confidential Information in writing, CUSTOMER agrees to use reasonable efforts to timely request an opinion from the California Attorney General. Upon receipt of an Attorney General opinion holding that all or some part of the requested Confidential Information shall be disclosed, CUSTOMER shall disclose such information to the requesting third Party unless enjoined from doing so by a court of competent jurisdiction.

16. **INFRINGEMENT INDEMNIFICATION**

- 16.1 CONTRACTOR shall defend any action, suit or proceeding brought against CUSTOMER so far as it is based on a claim that the use or transfer of any EQUIPMENT or AFIS SOFTWARE delivered hereunder constitutes an infringement of any United States patent

or copyright, provided that CONTRACTOR is promptly notified by CUSTOMER of the action and given full authority, information and assistance (at CONTRACTOR's expense) for the defense of the action. CONTRACTOR shall pay all damages and costs awarded therein against CUSTOMER but shall not be responsible for any compromise made without its consent. CONTRACTOR may, at any time it is concerned over the possibility of such an infringement, at its option and expense, replace or modify the aforementioned products so that infringement will not exist, or remove the products involved and refund to CUSTOMER the price thereof as depreciated or amortized by an equal annual amount over the lifetime of the products as established by CONTRACTOR.

- 16.2 CONTRACTOR shall have no liability to CUSTOMER under any provisions of this clause if any patent infringement or claim thereof is based upon (i) the use of the EQUIPMENT or AFIS SOFTWARE delivered hereunder in connection or in combination with equipment, devices, or software not supplied by CONTRACTOR, (ii) the use of the EQUIPMENT or AFIS SOFTWARE in a manner for which the products were not designed, (iii) the use of other than the current release of the AFIS SOFTWARE licensed by CONTRACTOR if the infringement or claim could have been avoided by use of the current release; or (iv) the alteration or modification of the EQUIPMENT or AFIS SOFTWARE not made pursuant to CONTRACTOR's instructions.
- 16.3 CUSTOMER shall indemnify and hold harmless CONTRACTOR from any loss, cost or expense suffered or incurred in connection with any claim, suit or proceeding brought against CONTRACTOR so far as it is based on a claim that the manufacture or sale of any products delivered hereunder and modified or altered or combined with any equipment, device, or software not supplied by CONTRACTOR hereunder constitutes such an infringement because of such modification, alteration or combination.
- 16.4 Exclusive Remedy. The foregoing provisions state the entire liability and obligations of each party, and the exclusive remedy of the other, with respect to any alleged intellectual property infringement hereunder.
- 16.5 CUSTOMER agrees that: (i) under no circumstances will CUSTOMER subpoena CONTRACTOR without CONTRACTOR's General Counsel's written consent in any litigation or other proceeding involving CUSTOMER, and (ii) if CONTRACTOR is subpoenaed by a third party in connection with a litigation or other proceeding involving CUSTOMER, CUSTOMER shall reimburse CONTRACTOR for all attorneys' fees and other fees incurred by CONTRACTOR and pay CONTRACTOR a reasonable fee for the time and effort expended by CONTRACTOR in connection with any such subpoena.

17. **LIMITATION OF LIABILITY**

- 17.1 IN NO EVENT SHALL CONTRACTOR OR CONTRACTOR'S LICENSORS BE LIABLE TO CUSTOMER FOR (I) ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR (II) ANY DAMAGES OR COSTS RESULTING FROM LOSS OF USE, GOODWILL, DATA, SAVINGS OR PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE WHICH MAY ARISE OUT OF THE USE OF THE SYSTEM OR IN CONNECTION WITH THIS AGREEMENT. IN NO EVENT WILL CONTRACTOR'S OR ITS LICENSORS' TOTAL CUMULATIVE LIABILITY TO CUSTOMER FOR DAMAGES UNDER THIS AGREEMENT EXCEED THE TOTAL

AMOUNT PAID BY CUSTOMER TO CONTRACTOR UNDER THIS AGREEMENT. THE FOREGOING LIMITATIONS SHALL NOT APPLY TO DAMAGES ARISING OUT OF PERSONAL INJURY OR DEATH DUE TO CONTRACTOR'S NEGLIGENCE.

- 17.2 In no event will CONTRACTOR be liable for any damages caused by CUSTOMER's failure to perform its responsibilities.

18. **SCOPE OF WORK("SOW") CHANGES**

- 18.1 CUSTOMER may request changes in the SOW in connection with the performance of the AGREEMENT. CONTRACTOR will use commercially reasonable efforts to evaluate the implications of such changes, including, without limitation, the cost and schedule of any proposed changes.

- i. If changes in design, workmanship, or material are of such a nature as to increase the cost of any part of the work, the price fixed in this AGREEMENT will be adjusted by such amount as CONTRACTOR and CUSTOMER agree upon as the reasonable and proper allowance for the adjustment in the cost of the work.
- ii. A change in the SOW will not be valid unless CONTRACTOR has provided written approval of such change and the resulting adjustment in price has been agreed upon in writing by CONTRACTOR and CUSTOMER. No oral statement of any person whosoever shall in any manner or degree modifies or otherwise affects the terms of this AGREEMENT or the requirements of the SOW.

19. **GOVERNING LAW**

- 19.1 This AGREEMENT shall be deemed to be made in, and shall be construed in accordance with the laws of, the State of California. The Uniform Computer Information Transactions Act does not apply to this Agreement or any change order.
- 19.2 Except for matters in which the dispute relates to a breach of the provision set forth in Section 15.0 (Confidentiality), any controversy or claim arising out of or relating to this AGREEMENT, or breach thereof, shall be settled in arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- 19.3 Before a demand for arbitration may be filed by either Party, the management of both parties shall have met at least two times in face-to-face meetings in an effort to resolve any dispute or controversy through normal business management practices. Unless otherwise agreed to in writing, a minimum of one meeting shall take place at each Party's home office location.
- 19.4 The arbitrator(s) shall have no power or authority to add to or detract from this AGREEMENT of the parties. The arbitrator(s) shall have no authority to award damages over and above those provided for in this AGREEMENT and in any event shall not exceed the limitations set forth herein, even if the remedy or limitation of liability provisions set forth in this AGREEMENT shall for any reason whatsoever be held unenforceable or inapplicable.

- 19.5 Neither Party nor the arbitrator(s) may disclose the existence or results of any arbitration hereunder, except if the arbitration results in a Court imposed judgment, the non-disclosure restriction shall not be effective to the extent the matter becomes a public record.
- 19.6 Each Party shall bear its own costs in preparing for and conducting arbitration, except that the joint costs, if any, of the actual arbitration proceeding shall be shared equally by the parties.

20. **NOTICE TO PARTIES**

- 20.1 All notices under this AGREEMENT shall be delivered personally, sent by confirmed facsimile transmission, sent by nationally recognized express courier, or sent by certified or registered U.S. mail, return receipt requested, to the address shown below or such other address as may be specified by either Party to the other Party in compliance with this Section. Notices shall be deemed effective on personal receipt, receipt of such electronic facsimile with confirmation, two (2) days after such delivery by courier, or four (4) days after such mailing by U.S. mail, as the case may be. Notices shall be sent as follows:

Notices to CONTRACTOR shall be addressed to:

NEC Corporation of America
6535 N. State Hwy 161
Irving, TX 75039
Attn: Legal Division – Contract Administration Department

With a copy to:

NEC Corporation of America
10850 Gold Center Drive, Suite 200
Rancho Cordova, California 95670
Attn: VP, Biometrics

Notices to CUSTOMER shall be addressed to:

21. **SECTION HEADINGS**

- 21.1 The section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this AGREEMENT.

22. **WAIVER AND SEVERABILITY**

- 22.1 The failure by either Party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other

Party at the time designated shall not be construed as a waiver of any such default or right to which the other Party is entitled, nor shall it in any way affect the right of the Party to enforce such provisions thereafter.

- 22.2 If any part of this AGREEMENT shall be adjudged by any court of competent jurisdiction to be invalid, such judgment will not affect or nullify the remainder of this AGREEMENT, but the effect thereof will be confined to the part immediately involved in the controversy adjudged.

23. **ASSIGNMENT**

- 23.1 This AGREEMENT may not be assigned by either Party without the express written consent of the other Party, which shall not be unreasonably withheld. Any assignment or attempted assignment in violation of this provision shall be null and void.
- 23.2 No transfer or assignment of this AGREEMENT, or of any interest hereunder, shall release either Party from its obligations hereunder.

25. **SUBSTITUTION**

- 25.1 CONTRACTOR may at any time before Acceptance, add, delete and/or substitute items of EQUIPMENT and AFIS SOFTWARE comprising the SYSTEM ("Substitutions"), provided that such Substitutions will not adversely affect the functionality and performance of the SYSTEM specified in CONTRACTOR'S Proposal. Substitutions do not adjust a fixed priced contract. Scope of Work Changes may adjust a fixed priced contract as provided in Section 18.

26. **MISCELLANEOUS OBLIGATIONS OF CUSTOMER**

- 26.1 Designated Person. CUSTOMER will designate a person to coordinate all activities with CONTRACTOR. The designated person (or a designated alternate) shall be available at all times to make decisions on behalf of CUSTOMER, which shall include, but not be limited to, the approval and acceptance of all contract deliverable items. The designated person shall work and cooperate with CONTRACTOR, but the designated person will not be under the direction or control of CONTRACTOR and shall, at no time, be considered an employee or agent of CONTRACTOR.
- 26.2 Availability. CUSTOMER's operational personnel shall be available for consultation and to answer pertinent questions at all times during the operational personnel's Working Hours.
- 26.3 Reference Information. All necessary reference manuals, sample data, source documents, definition of terms, exceptions, and other items of information which, in CONTRACTOR's reasonable opinion, are necessary for performance of the Agreement, will be promptly supplied by CUSTOMER to the CONTRACTOR upon CONTRACTOR's request.
- 26.4 Security. CUSTOMER shall, at all times, exercise reasonable care for the security of the installation site and of the SYSTEM, and other EQUIPMENT at the installation site belonging to CONTRACTOR or to its personnel, agents or designees, including without

limitation, each part of the SYSTEM not then accepted by CUSTOMER. The installation site shall be located in a secure space, to be provided by CUSTOMER at no cost to the CONTRACTOR, which will be accessible before ACCEPTANCE to CONTRACTOR's authorized personnel, agents and designees, and to such personnel of CUSTOMER as may be agreed by CONTRACTOR.

- 26.5 Use of CONTRACTOR's Property. CUSTOMER shall ensure that its personnel, agents or designees will not use any property of CONTRACTOR, including but not limited to the SYSTEM, before ACCEPTANCE of the SYSTEM, except as provided in this AGREEMENT and as may be authorized by CONTRACTOR in writing. Any such use will be in accordance with all instructions CONTRACTOR may adopt and give to CUSTOMER from time to time. CONTRACTOR may withdraw CUSTOMER's authorization for use at any time.
- 26.6 Interconnections. CUSTOMER shall bear all costs for and shall install all necessary telecommunication lines and equipment as defined in the Site Preparation Plan. Such telecommunication lines and equipment must be installed and certified by CUSTOMER as being ready for use on the dates specified for delivery of EQUIPMENT.
- 26.7 Delayed Site Preparation or Interconnection. If CONTRACTOR has offered to deliver and install the EQUIPMENT and AFIS SOFTWARE that are due at any particular due date, and CUSTOMER has not completed the site preparation and provided the telecommunication lines and equipment at the installation site as described herein, or if the installation site, through no fault of CONTRACTOR, is not ready for the installation of the SYSTEM, then payment shall be due to CONTRACTOR as if the telecommunication lines and equipment and installation site were available and the SYSTEM had been delivered and accepted.
- 26.8 Permits and Licenses. It shall be the responsibility of CUSTOMER to obtain any and all necessary licenses and permits for the installation and operation of the SYSTEM at the site at which it is to be installed.
- 26.9 Audit. CUSTOMER grants to CONTRACTOR and its agents the right to audit CUSTOMER's use of the AFIS SOFTWARE to verify compliance with this AGREEMENT.

27.0 **RELATIONSHIP BETWEEN PARTIES**

- 27.1 CONTRACTOR is an independent contractor. The personnel of one Party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each Party shall be responsible for the acts of its own employees. Each Party shall be responsible for Workers' Compensation coverage for its own personnel.

28.0 **EXPORT**

- 28.1 Export laws and regulations of the United States and other relevant local export laws and regulations apply to the SYSTEM. CUSTOMER agrees that such export control laws govern CUSTOMER's use of the SYSTEM and CUSTOMER agrees to comply with all such export laws and regulations (including "deemed export" and deemed "re-export" regulations.) CUSTOMER agrees that CUSTOMER will not export or re-export the

SYSTEM outside of the jurisdiction in which you obtained it without the appropriate United States or foreign government licenses.

29. **ENTIRE AGREEMENT**

29.1 No change or waiver of any provision of this AGREEMENT shall be valid unless made in writing and executed in the same manner as this AGREEMENT.

29.2 This AGREEMENT, including any Exhibits attached hereto constitutes the entire AGREEMENT between the Parties with respect to the subject matter hereof and supersedes all previous negotiations and agreements, written or oral, between the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have executed this written AGREEMENT to be effective as stated herein.

CUSTOMER

NEC Corporation of America

Authorized Signature

Authorized Signature

Typed Name

Typed Name

Title

Title

Date

Date

EXHIBIT I

PAYMENT MILESTONES

Upon Execution of Agreement	30%
Upon Execution of Scope of Work	30%
Upon System Delivery	30%
Upon System Acceptance	10%

EXHIBIT II
SYSTEM DESCRIPTION AND EQUIPMENT LIST

SAMPLE

Exhibit III

NEC CORPORATION OF AMERICA

AFIS SOFTWARE END USER LICENSE AGREEMENT

CAREFULLY READ THE FOLLOWING TERMS AND CONDITIONS. THE USE OF THE AFIS SOFTWARE WHICH IS LICENSED BY NEC CORPORATION OF AMERICA AND ITS LICENSORS TO CUSTOMER, THE ORIGINAL END USER, FOR CUSTOMER USE ONLY AS SET FORTH BELOW.

1. LICENSE GRANT

Subject to the terms of this NEC Corporation of America AFIS Software End User License Agreement ("EULA") and System and Services Sales Agreement (the "AGREEMENT")(including payment of the applicable license fees, warranty, and limitation of liability sections), CONTRACTOR grants CUSTOMER a perpetual (subject to termination in section 5), non-exclusive, non-transferable license for the following:

SYSTEM License - to use the AFIS SOFTWARE, including any SYSTEM Documentation furnished under the AGREEMENT, for CUSTOMER's own internal use on the EQUIPMENT. SYSTEM License is granted according to the EQUIPMENT and is not transferrable to any new EQUIPMENT.

Unit License – to install and use a copy of the AFIS SOFTWARE on your workstation or mobile devices ("Units"), up to the permitted number of Units. The permitted number of Units shall be delineated at such time as CUSTOMER's elects to purchase the AFIS SOFTWARE.

Archive License – If Archive component is included with your AFIS SOFTWARE, the total number of users permitted to use the Archive component of the AFIS SOFTWARE at the same time may not exceed the number of users delineated at such time as CUSTOMER's elects to purchase the AFIS SOFTWARE.

2. RESTRICTIONS. CUSTOMER may not do the following: (i) modify, adapt, translate or create derivative works based upon the AFIS SOFTWARE; (ii) reverse engineer, decompile, disassemble or otherwise attempt to discover the source code of the AFIS SOFTWARE except to the extent you may be expressly permitted to reverse engineer or decompile under applicable law; (iii) sell, rent, lease, timeshare, provide subscription services, lend, sublicense, distribute, assign or otherwise transfer any rights in the AFIS SOFTWARE; and (iv) disclose or publish results of any benchmark tests of any AFIS SOFTWARE to any third party without NEC's prior written

consent. CUSTOMER may make one backup copy of the AFIS SOFTWARE provided your backup copy is not installed or used until needed. CUSTOMER may not transfer the rights to a backup copy.

3. INTELLECTUAL PROPERTY OWNERSHIP, RESERVATION OF RIGHTS

CUSTOMER acknowledges and agrees that (i) Contractor and its licensors own and shall retain all rights, title and interest in and to the AFIS SOFTWARE, including without limitation, all intellectual property rights embodied therein; and (ii) the AFIS SOFTWARE's structure, organization, sequence and source code are the valuable trade secrets and confidential information of CONTRACTOR and/or its licensors. The AFIS SOFTWARE is protected by law, including without limitation the copyright laws of the United States and other countries, and by international treaty provisions. Except as expressly stated herein, this license does not grant CUSTOMER any intellectual property rights in the AFIS SOFTWARE and all rights not expressly granted are reserved by Contractor and its licensors. CUSTOMER agrees not to remove or obliterate any copyright, trademark or other proprietary rights notices contained in or on the AFIS SOFTWARE.

4. THIRD PARTY BENEFICIARIES: CUSTOMER acknowledges and agrees that CONTRACTOR's Licensors are direct and intended third party beneficiaries of this EULA.

5. TERMINATION. This License will terminate immediately by NEC if, after written notice is given to you setting out the particulars of a breach of this EULA, you fail to remedy such breach within 30 days of such notice. Upon termination, you shall immediately remove and destroy all copies of the AFIS SOFTWARE or any parts thereof.

6. LIMITED WARRANTY. NEC provides a limited warranty for the NEC Software. Please refer to CUSTOMER's AGREEMENT for a description of the limited warranty and the limited warranty period. EXCEPT FOR THE WARRANTIES EXPRESSLY SET FORTH IN THE AGREEMENT AND HEREIN, NEC AND ITS LICENSORS EXPRESSLY DISCLAIM ALL OTHER WARRANTIES WITH RESPECT TO THE NEC SOFTWARE, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS. NEC DOES NOT WARRANT THAT THE NEC SOFTWARE WILL MEET YOUR REQUIREMENTS, OPERATE IN COMBINATION WITH OTHER PRODUCTS NOT PROVIDED BY NEC, BE UNINTERRUPTED, OPERATE ERROR FREE OR THAT THE ERRORS WILL BE CORRECTED.

7. LIMITATION OF LIABILITY. IN NO EVENT SHALL NEC OR ITS LICENSORS BE LIABLE TO CUSTOMER FOR (I) ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR (II) ANY DAMAGES OR COSTS RESULTING FROM LOSS OF USE, GOODWILL, DATA, SAVINGS OR PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE WHICH MAY ARISE OUT OF THE USE OR PERFORMANCE OF THE NEC SOFTWARE.

IN NO EVENT WILL NEC'S OR IT'S LICENSORS' AGGREGATE LIABILITY FOR ANY CLAIM, WHETHER IN CONTRACT, TORT OR ANY OTHER THEORY, EXCEED THE LICENSE FEES PAID BY CUSTOMER.

8. U.S. GOVERNMENT RIGHTS: The AFIS SOFTWARE was developed entirely at private expense. The AFIS SOFTWARE licensed under this EULA is "commercial computer software" as the term is described in 48 C.F.R. 252.227-7014(a)(1). If acquired by or on behalf of a civilian agency, the U.S. Government acquires this commercial computer software and/or commercial computer software documentation subject to the terms of this Agreement as specified in 48 C.F.R. 12.212 (Computer Software) and 48 C.F.R. 12.211 (Technical Data) of the Federal Acquisition Regulations ("FAR") and its successors. If acquired by or on behalf of any agency within the Department of Defense ("DOD"), the U.S. Government acquires this commercial computer software and/or commercial computer software documentation subject to the terms of this License Agreement as specified in 48 C.F.R. 227.7202-3 of the DOD FAR Supplement ("DFAR") and its successors.

9. EXPORT. The AFIS SOFTWARE supplied by CONTRACTOR under this EULA is subject to export controls under the laws and regulations of the United States. CUSTOMER shall comply with such laws and regulations governing export and re-export and will obtain all required U.S. and local authorizations, permits or licenses.

10. AUDIT. To ensure compliance with this EULA, upon forty-five (45) days written notice, CONTRACTOR shall have the right to audit CUSTOMER's use of the AFIS SOFTWARE.

11. GOVERNING LAW. This EULA will be construed under the laws of the State of California, excluding the application of its conflicts of law rules. The Uniform Computer Information Transactions Act does not apply to this EULA.

EXHIBIT VI
SCOPE OF WORK

SAMPLE

11 EXHIBIT B – MANAGED HOSTING SERVICES AGREEMENT

A copy of NEC's Managed Hosting Services Agreement begins on the following page.

Managed Hosting Services Agreement
by and between

{INSERT CUSTOMER NAME}

and

NEC Corporation of America

For

{INSERT SOLUTION NAME}

{INSERT EFFECTIVE DATE}

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This Agreement is entered into this _____ day of _____, 2014 (the "Effective Date") by and between the NEC Corporation of America, a Nevada corporation, having its principal place of business at 6535 North State Highway 161, Irving, TX 75039 (hereinafter "NEC") and _____ having its principal place of business at _____ (hereinafter Customer") (hereinafter collectively also the "parties" or individually a "party").

In consideration of the mutual promises, covenants and conditions set forth herein and for good and valuable consideration, NEC and Customer agree as follows:

1 APPLICABLE DOCUMENTS

1.1 Interpretation

The provisions of this Agreement (hereinafter "Agreement"), along with Exhibits A, B, C, D, E, F, G, including all attachments and schedules, if applicable collectively form and throughout and hereinafter are referred to as the "Agreement". In the event of any conflict, ambiguity or inconsistency in the definition or interpretation of any word, obligation, deliverable, service or otherwise, between this Agreement and the Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Agreement, and then to the Exhibits, according to the following order of precedence:

- Exhibit A Statement of Work
- Exhibit B Pricing and Payment Schedule
- Exhibit C Project Schedule
- Exhibit D Service Level Agreement
- Exhibit E Acceptance Test Plan
- Exhibit F Final Acceptance Form
- Exhibit G Software License Agreement

1.2 Entire Agreement

This Agreement constitutes the complete and exclusive Agreement between the parties and supersedes all previous agreements, whether written or oral, between the parties relating to the subject matter of this Agreement. In the event of any conflict or inconsistency between this Agreement and the Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to this Agreement, and then to the Exhibits. This Agreement may only be modified in writing, by a signed amendment.

1.3 Definitions

The terms and phrases in this Section 1.3, whether singular or plural, shall have the particular meanings set forth below whenever such terms are used in this Agreement.

1.3.1 ADDITIONAL PRODUCTS

The term "Additional Product(s)" shall mean any item of additional hardware, Software, customizations, interfaces, including additional workstations, and related Documentation, that NEC may provide pursuant to a Change Order following Final Acceptance, upon Customer's

request. Once mutually agreed upon, such Additional Products shall become part of, and be deemed, part of the Solution for the purpose of this Agreement.

1.3.2 *RESERVED*

1.3.3 *BUSINESS DAY*

The term “Business Day” shall mean any day of eight (8) working hours from 8:00 a.m. to 5:00 p.m. Pacific Time (PT), Monday through Friday, excluding NEC observed holidays.

1.3.4 *CHANGE NOTICE*

The term “Change Notice” shall mean a contract change, or other change in this Agreement, that has been adopted by the parties in accordance with Section 3 (Changes Notices).

1.3.5 *CONFIDENTIAL INFORMATION*

The term “Confidential Information” shall have the meaning specified in Section 13 (Confidentiality).

1.3.6 *CUSTOMER DATA*

The term “Customer Data” shall mean the customer provided data utilized by the Solution.

1.3.7 *RESERVED*

1.3.8 *DATA MIGRATION*

The term “Data Migration” shall mean migration of Customer Data as part of System Implementation Services, as further specified in Section 1.4 (Definitions) of Exhibit A (Statement of Work).

1.3.9 *DAY*

The term “Day” shall mean calendar day and not Business Day.

1.3.10 *DEFICIENCY; DEFICIENCIES*

The terms “Deficiency” and “Deficiencies”, whether singular or plural, shall have the meaning specified in Exhibit D (Service Level Agreement).

1.3.11 *DELIVERABLE; deliverable*

The terms “Deliverable” and “deliverable” shall mean items provided or to be provided by NEC under this Agreement, including Deliverable(s) in Exhibit A (Statement of Work).

1.3.12 DISPUTE RESOLUTION PROCEDURE

The term “Dispute Resolution Procedure” shall mean and refer to the provisions of Section 17 (Applicable Laws and Dispute Resolution Procedure) describing the procedure for resolving the disputes arising under or with respect to this Agreement.

1.3.13 DOCUMENTATION

The term “Documentation” shall mean any and all written and electronic materials provided by NEC under this Agreement, including, but not limited to, documentation relating to software and hardware specifications and functions, training course materials, specifications including System requirements, technical manuals, handbooks, flow charts, technical information, reference materials, user manuals, operating manuals, quick reference guides, FAQs, and all other instructions and reference materials relating to the capabilities, operation, installation and use of the Solution and/or applicable components.

1.3.14 DUE DATE

The term “Due Date” shall mean the due date for the completion of any Deliverable in Exhibit C (Project Schedule).

1.3.15 RESERVED

1.3.16 FINAL ACCEPTANCE DATE

The term “Final Acceptance Date” shall mean the date of Final Acceptance.

1.3.17 FIXED HOURLY RATE

The term “Fixed Hourly Rate” shall mean the hourly rate, specified in Exhibit B (Pricing and Payment Schedule), for Professional Services including Consulting Services and programming modifications, as applicable, that NEC may provide, following Final Acceptance, upon Customer’s request in the form of Optional Work.

1.3.18 RESERVED

1.3.19 FINAL ACCEPTANCE

The term “Final Acceptance” shall mean Customer’s written acceptance of any deliverables, and Services or other work, including System Acceptance Testing, provided by NEC to Customer, pursuant to the mutually agreed upon Acceptance Test Plan (Exhibit E).

1.3.20 OPTIONAL WORK

The term “Optional Work” shall mean application modifications, Professional Services and/or Additional Products that may be provided by NEC to Customer, upon Customer’s request in accordance with Section 4.4 (Optional Work).

1.3.21 PRICING AND PAYMENT SCHEDULE

The term “Pricing and Payment Schedule” shall mean prices, rates and other fees for Deliverables identified as Exhibit B (Pricing and Payment Schedule).

1.3.22 PRODUCTIVE USE

The term “Productive Use” shall mean the actual use of the Solution in the Customer’s operational environment for the performance of Customer’s operations.

1.3.23 PROFESSIONAL SERVICES

The term “Professional Services” shall mean professional and/or consulting services that NEC may provide upon Customer’s request in accordance with Section 4.4 (Optional Work).

1.3.24 PROJECT MANAGER(S)

The term “Project Manager(s)” shall have the meaning specified in Section 2.1.1 (Project Manager(s)).

1.3.25 PROJECT SCHEDULE

The term “Project Schedule” shall mean the agreed upon timeline for System Implementation and Deliverables specified in Exhibit A (Statement of Work).

1.3.26 SERVICES

The term “Services” shall mean any services provided by NEC under this Agreement including hosting, management, maintenance and support of the Solution.

1.3.27 SERVICE FEE(S)

The term “Service Fee(s)” shall mean the Service Fees to be paid by Customer to NEC for Services performed commencing upon Final Acceptance in accordance with the terms of this Agreement, including Exhibit B (Pricing and Payment Schedule).

1.3.28 SOFTWARE

The term “Software” shall mean the software provided by NEC as part of the Solution, including operating and database software.

1.3.29 SOLUTION

The term “Solution” shall mean the system and services contemplated by this Agreement and as set forth in the Statement of Work.

1.3.30 STATEMENT OF WORK; SOW

The terms “Statement of Work” and “SOW” shall mean the work to be provided by NEC pursuant to this Agreement identified in terms of Services and Deliverables in Exhibit A (Statement of Work).

1.3.31 SYSTEM

The term “System” shall mean the architectural and operational environment for the Solution provided by NEC or Customer meeting the requirements of this Agreement and the Statement of Work and related Documentation, including Software and System Hardware.

1.3.32 SYSTEM ACCEPTANCE TEST; SAT

The terms “System Acceptance Test” and “SAT” shall mean shall mean the System test conducted by NEC under the Statement of Work and Acceptance Test Plan.

1.3.33 RESERVED

1.3.34 RESERVED

1.3.35 SYSTEM HARDWARE

The term “System Hardware” shall mean the hardware and networking equipment, and related Documentation, provided by NEC as part of the Solution, including baseline hardware, hardware upgrades and additional hardware.

1.3.36 SYSTEM IMPLEMENTATION

The term “System Implementation” shall mean system setup, system and system software installation, Data Migration, System Acceptance Tests, training and other work to be provided by NEC under this Agreement.

1.3.37 THIRD PARTY SOFTWARE

The term “Third Party Software” shall mean any software of third parties provided by NEC to Customer under this Agreement as part of the Solution.

1.3.38 TRAINING

The term “Training” shall mean training relating to the Solution to be provided by NEC pursuant to this Agreement, including initial System Training and additional Training that Customer may request as part of Professional Services.

1.3.39 *RESERVED*

2 ADMINISTRATION OF AGREEMENT

2.1 Key Personnel

2.1.1 *Project Manager(s)*

NEC and Customer each shall designate a Project Manager ("Project Manager(s)") who will be responsible for ensuring that the technical, business and operational standards and requirements of this Agreement are met.

2.2 Personnel

Customer is responsible for maintaining a list of Customer employees authorized to request changes, and providing such list to NEC as necessary. Customer maintains sole responsibility for informing NEC of Customer employee status changes.

3 CHANGES NOTICES

3.1 General

No representative of either NEC or Customer, including those named in this Agreement, is authorized to make any changes to the Solution, except through the procedures set forth in this Section 3.

3.2 Change Notices

(a) When the Project Manager, or an authorized representative for both parties agree on any change that has no material financial impact (i) on the cost , (ii) scope and/or specifications, each party shall communicate the agreement to such change in writing, and the Statement of Work shall be deemed amended effective as of the date of such Change Notice.

(b) If changes in design, workmanship, or material are of such a nature as to impact the cost of any part of the work or Services; NEC will use commercially reasonable efforts to evaluate the implications of such change, including, without limitation, the cost and schedule. The Project Manager, or an authorized representative for both parties shall agree upon a reasonable and proper allowance for the adjustment in the cost of the Services to be performed under this Agreement.

(c) Changes made in accordance with the foregoing procedure shall be immediately effective upon execution by each of NEC's and Customer's authorized representative and shall constitute amendments to such Statement of Work and this Agreement.

3.3 Facsimile and Electronic Signatures

NEC and Customer hereby agree to regard facsimile representations of original signatures and electronic signatures of authorized officials of each party, as legally sufficient, and that the parties need not follow up facsimile transmissions and electronic signatures of such documents by subsequent transmissions of "original" versions of such documents.

4 SCOPE OF WORK

In exchange for Customer's payment to NEC of the applicable Service Fees invoiced by NEC and arising under this Agreement, NEC shall (a) provide Services, Deliverables and Optional Work set forth in this Agreement, in accordance with Exhibit A (Statement of Work); and (b) grant to Customer the License to use the Software provided by NEC under the Agreement, as specified in Section 8 (Ownership and License).

4.1 System Components

NEC will provide the License for Customer to use the Solution in order to meet the system requirements as such may be revised during the term of the Agreement, all in accordance with the provisions of Section 8 (Ownership and License) and the Agreement, pursuant to and as set forth in SOW and other applicable Exhibits.

4.2 System Implementation

NEC shall provide System Implementation Services, including but not limited to System setup, installation, testing, training, baseline customizations and/or baseline interfaces, and other applicable Services, through Final Acceptance of the System, as required for the implementation of the Solution, as specified in the Statement of Work and elsewhere in the Agreement.

4.3 Maintenance

NEC shall, during the term of this Agreement, provide to Customer maintenance and support services, in exchange for Customer's payment of the applicable Service Fees as set forth in Exhibit B (Pricing and Payment Schedule). Service Fees will be paid by Customer to NEC for maintenance periods commencing upon Final Acceptance.

4.4 Optional Work

Upon the written request of Customer, and upon mutual agreement, NEC may provide to Customer Optional Work, including software modifications, Professional Services and/or additional workstations or other Additional Products.

NEC shall provide to Customer a proposed quotation, including the Fixed Hourly Rate, if applicable. NEC's quotation shall be valid for at least ninety (90) days, or a timeframe as NEC may specify at the time of quote submission. Upon Customer's acceptance of the quote and completion of the Optional Work by NEC, this Agreement shall be updated accordingly to add such items of Optional Work by Change Notice executed in accordance with Section 3 (Changes Notices).

4.5 Standard of Services

NEC's Services required by this Agreement shall during the term of the Agreement conform to reasonable commercial standards as they exist in NEC's profession or field of practice.

4.6 Customer's Acts or Omissions

Customer agrees to provide all information, access and full good faith cooperation reasonably necessary for NEC to deliver and provide the Services under this Agreement. In the event Customer's acts or omission causes a delay, impact or failure in NEC's ability to deliver the Services, NEC shall bear no liability whatsoever or otherwise be responsible for such delay, impact or failure.

5 TERM

5.1 Initial Term

The term of this Agreement shall commence upon the Effective Date and shall expire _____ years following the Final Acceptance of the Solution, unless sooner terminated or extended, as provided in this Agreement (hereinafter “Initial Term”).

5.2 Extended Term

At the end of the Initial Term, Customer may extend this Agreement for _____ (hereinafter “Extended Term”). Customer may only exercise its extension option by notifying NEC in writing of its election to extend the Agreement pursuant to this Section 5 no later than twelve (12) months prior to the expiration of the Initial Term. NEC reserves the right to adjust the Service Fees for changes in the scope of Services at any point after the commencement of the Initial Term or for changes in NEC’s standard Service rates at the beginning of any Extended Term (“Service Fee Adjustment”), (collectively the “Extended Term and “Initial Term” shall be considered the Term).

6 TERMINATION

6.1 TERMINATION

Either party has the right to terminate this Agreement if the other party materially breaches this Agreement. However, written notice of material breach of this Agreement must first be provided to other party, and the other party shall have the opportunity to cure such breach within thirty (30) days from the date of receipt of the written notice. There is no termination if the breach is cured within the period, or such a cure is impractical within the period, or if the parties otherwise agree not to terminate.

In addition, NEC reserves the right, at NEC’s option, to terminate or suspend performance under this Agreement and discontinue providing Services to Customer in the event:

- (a) Customer fails to pay the Service Fees when due and such failure shall remain uncured for a period of fifteen (15) days after Customer’s receipt of written notice of termination from NEC;
- (b) Customer materially or repeatedly fails to cure its breach (other than a payment breach addressed in (a) above) of any of these terms or conditions in this Agreement within ten (10) days after the written notice provided by NEC;
- (c) Customer violates any law, rule, regulation or policy of any governmental authority in its use of the Solution;
- (d) Customer misuse of the Solution in breach of License limitations;
- (e) Customer makes a material misrepresentation to NEC in connection with the ordering or delivery of the Services;
- (f) Customer engages in any fraudulent use of the Solution;
- (g) Customer files bankruptcy or fails to discharge an involuntary petition within sixty (60) days.

Customer understands that pricing under this Agreement, including any discounts, is based upon Customer’s commitment to purchase the Services for the entire Term. During the Term,

Customer may request an adjustment in the size, capacity and/or scope of the number of hosted components, the acceptance of which shall be accompanied by a commensurate adjustment in the Service Fees and shall be in accordance with Section 3 (Changes Notices).

6.2 Payment in the event of early termination

In the event of any early termination as specified in Section 6.1 (Termination), NEC shall be entitled to receive, and Customer agrees to pay, any unpaid balance for the then-current Term. Customer's obligation to pay for the entire Term of the Services Fees is absolute and unconditional and is not subject to reduction or setoff.

7 INVOICES AND PAYMENTS

7.1 Invoices

NEC shall invoice Customer in accordance with Exhibit B (Pricing and Payment Schedule) (i) for Services Fees monthly in arrears for maintenance periods commencing upon Final Acceptance, and (iii) for the actual price expended by NEC for any Optional Work, if applicable.

("Purchase Order") means a Customer-issued document used for ordering Optional Work under this Agreement. All Purchase Orders are subject to review and acceptance by an authorized representative of NEC. No preprinted Purchase Order terms shall be binding upon NEC, unless otherwise expressly agreed to in writing by an authorized representative of NEC.

7.2 Delivery of Software

NEC shall provide any Software or Documentation under this Agreement, (i) in an electronic format (e.g., via electronic mail or internet download) or (ii) personally by NEC staff who shall load such Software and Documentation.

Any Software and Documentation that is provided or delivered by NEC to Customer in a tangible format shall be F.O.B. Destination.

7.3 Taxes

Any taxes shall be in addition to the Service Fees listed and if required to be collected or paid by NEC shall be paid by Customer to NEC. If claiming a sales tax or similar exemption, Customer must provide NEC with valid tax exemption certificates.

7.4 Payments

The initial payment date for Service Fees hereunder shall be the first day of the month following Final Acceptance. Thereafter, Customer shall make payment of the Service Fees or any Service Fee Adjustment within thirty (30) days of receipt of an invoice from NEC.

If Customer fails to pay any portion of any invoice by the due date, NEC may charge Customer interest equal to the lesser of 1.5% per month [eighteen percent (18%) per annum] or the maximum rate allowed by law on such undisputed portion.

8 OWNERSHIP AND LICENSE

8.1 Ownership

8.1.1 **Software**

NEC shall own and retains all right, title and interest, worldwide, in any and all proprietary System Hardware, Software, including related Documentation, technology, ideas, methods, processes, know-how, and related Documentation ("NEC Licensed Technology"). NEC Licensed Technology is and shall remain the property of NEC or any rightful third party owner, with which all proprietary rights shall reside, and which shall be subject to the terms of the License granted pursuant to Section 8.2 (License) below. The NEC Licensed Technology is the confidential and copyrighted property of NEC, or its licensors, and all rights therein not expressly granted to Customer are reserved to NEC, or its licensors. Upon termination or expiration of this Agreement, NEC shall remove all copies or embodiments of NEC Technology from Customer's network and Customer shall immediately cease use of such NEC Licensed Technology.

8.1.2 **Customer Data**

All Customer Data is and shall remain the property of Customer. NEC safeguards the security of such data with industry standard physical, electronic, and managerial procedures. The field of information security is one in which the risks and threats change daily, although NEC strives to keep Customer Data secure, no security measures are absolute. NEC cannot anticipate each and every threat which can develop in the future and, as such, cannot guarantee that Customer Data will never be disclosed, for example, as the result of unauthorized acts by third parties. NEC will promptly notify Customer if it's determined that NEC experienced a security breach, and that there is a reasonable likely risk of data theft, or other security breach as otherwise required by law.

8.2 LICENSE

8.2.1 **License Grant**

Subject to the applicable provisions and limitations of this Agreement, including but not limited to, the Software License Agreement (Exhibit G), the Statement of Work and Section 8 (Ownership and License), NEC hereby grants to Customer a license to use the Software, Third Party Software, including any related Documentation (hereinafter "License"), during the Term. Customer shall also comply with any and all third-party technology licenses utilized in the provisioning of the Services. Additionally, Customer shall use the Solution in strict accordance with applicable, laws, rules, and regulations. Any violation thereof is deemed a material breach of this Agreement.

9 ACCEPTANCE

9.1 SYSTEM ACCEPTANCE TESTING

The Acceptance Test Plan shall be prepared and agreed upon by both parties and is the reflection of the mutually agreed upon Statement of Work. Final Acceptance shall occur upon the date of successful completion of System Acceptance Testing as specified below. Final Acceptance shall be final and not subject to any revocation by Customer.

The System Acceptance Test shall be conducted expeditiously. Within three (3) days of NEC's written notice that the System has been installed and is ready for System Acceptance Testing, NEC's personnel shall begin to conduct System Acceptance Testing. Customer shall complete the System Acceptance Testing within the timeframe allowed in the Acceptance Test Plan. The System shall be accepted on the date that the Acceptance Test Plan is successfully completed or parties agree to acceptance with a list of deficiencies (punch list) or when the System is in Productive Use by the Customer as provided below, whichever occurs first (the "Final Acceptance Date"). If the System Acceptance Testing discloses operational Deficiencies in the System, the parties shall prepare and mutually agree to a detailed list of all such Deficiencies. NEC shall correct all Deficiencies placed on the list of Deficiencies according to a mutually agreed timeframe. In the event that the System fails to pass System Acceptance Testing as described in the Acceptance Test Plan, Customer shall repeat testing of the deficient items once NEC has made the necessary changes and agree to accept the System either without Deficiency or with a mutually agreed Deficiency list and correction timeframe. Such time period to correct Deficiencies may be extended by mutual consent.

PRODUCTIVE USE

The System shall achieve Go-Live and shall be ready for Productive Use when Customer, approves in writing Deliverables within Exhibit A (Statement of Work). In the event any System Hardware or Software delivered after the date of execution of this Agreement is put into Productive Use by the Customer, notwithstanding any failure to pass any System Acceptance Test, and such Productive Use extends for a cumulative duration in excess of sixty (60) days, then the Solution shall be deemed accepted.

10 WARRANTIES

10.1 General Warranties

- (a) NEC warrants that the Services provided to Customer shall substantially conform to the service level guarantees within the Service Level Agreement attached as Exhibit D.
- (b) NEC warrants that its personnel are adequately trained and competent to perform the Services and that the Services shall be performed in a professional manner in accordance with industry standards.

Disclaimer of Warranties

EXCEPT FOR THE EXPRESS WARRANTIES CONTAINED IN THIS AGREEMENT, THE SERVICES AND NEC TECHNOLOGY ARE PROVIDED "AS IS." NEITHER PARTY MAKES ANY OTHER WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, IN FACT OR IN LAW, CONCERNING THE SERVICES OR ANY OTHER MATTER COVERED BY THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF TITLE, NON-

INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES ARISING BY STATUTE OR OTHERWISE AT LAW OR FROM A COURSE OF DEALING, USAGE OR TRADE.

11 INDEMNIFICATION

NEC shall defend any action, suit or proceeding brought against Customer so far as it is based on a claim that the use or transfer of any System Hardware or Software delivered hereunder constitutes an infringement of any United States patent or copyright, provided that NEC is promptly notified by Customer of the action and given full authority, information and assistance (at NEC's expense) for the defense of the action. NEC shall pay all damages and costs awarded therein against Customer but shall not be responsible for any compromise made without its consent. NEC may, at any time it is concerned over the possibility of such an infringement, at its option and expense, change or reasonably modify the aforementioned products and/or Services so that infringement will not exist.

However, in no event shall NEC be liable for any claims or demands attributable to the negligence or misconduct of Customer or failure of Customer to fulfill their responsibilities under this Agreement.

Customer agrees to indemnify and hold NEC and its licensors harmless from any claims relating to (i) Customer's willful misconduct, (ii) Customer's violation of any law, rules or regulations relating to the use of the Solution, including but not limited to, obligations for complying with all data protection legislation, in particular with regards to the transmission and processing of data, or (iii) Customer's use of the Solution beyond the scope of the license granted herein.

Exclusive Remedy. The foregoing provisions state the entire liability and obligations of each party, and the exclusive remedy of the other, with respect to any alleged intellectual property infringement hereunder.

11.1 LIMITATION OF LIABILITY

IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES (INCLUDING LOST PROFITS AND LOST SAVINGS) SUFFERED OR INCURRED BY SUCH OTHER PARTY IN CONNECTION WITH THE SERVICES, OR ANY OTHER MATTER COVERED BY THIS AGREEMENT, REGARDLESS OF THE FORM OR THEORY OF THE ACTION, (INCLUDING NEGLIGENCE), EVEN IF SUCH OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE ABOVE LIMITATION, HOWEVER, DOES NOT APPLY TO DAMAGES TO NEC CAUSED BY CUSTOMER'S BREACH OF THE LICENSE LIMITATIONS OR USE OF THE SOLUTION IN VIOLATION OF APPLICABLE LAWS, RULES OR REGULATIONS.

NEC'S TOTAL CUMULATIVE LIABILITY TO CUSTOMER IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS ACTUALLY PAID OR OWED BY CUSTOMER TO NEC HEREUNDER.

12 INSURANCE

12.1 INSURANCE COVERAGE

NEC SHALL HAVE AND MAINTAIN IN FULL FORCE AND EFFECT FOR THE DURATION OF THIS AGREEMENT INSURANCE INSURING AGAINST CLAIMS FOR INJURIES TO PERSONS OR DAMAGES TO PROPERTY WHICH MAY ARISE FROM OR IN CONNECTION WITH THE PERFORMANCE OF THE SERVICES BY NEC, ITS AGENTS, REPRESENTATIVES, OR EMPLOYEES.

NEC SHALL MAINTAIN COVERAGE AND LIMITS NO LESS THAN:

- (a) COMPREHENSIVE GENERAL LIABILITY OF \$1,000,000 PER OCCURRENCE FOR BODILY AND PERSONAL INJURY, SICKNESS, DISEASE OR DEATH, INJURY TO OR DESTRUCTION OF PROPERTY, INCLUDING LOSS OF USE RESULTING THEREFROM, AND \$2,000,000 IN AGGREGATE.
- (b) COMPREHENSIVE AUTOMOBILE LIABILITY (ANY AUTO) OF \$1,000,000 COMBINED SINGLE LIMIT PER OCCURRENCE FOR BODILY AND PERSONAL INJURY, SICKNESS, DISEASE OR DEATH, INJURY TO OR DESTRUCTION OF PROPERTY, INCLUDING LOSS OF USE RESULTING THEREFROM.
- (c) PROFESSIONAL LIABILITY OF \$1,000,000 LIMIT FOR CLAIMS ARISING OUT OF PROFESSIONAL SERVICES CAUSED BY NEC'S ERRORS, OMISSIONS, OR NEGLIGENT ACTS.
- (d) WORKERS' COMPENSATION LIMITS AS REQUIRED BY THE STATE OF [REDACTED] AND EMPLOYERS LIABILITY LIMITS OF \$1,000,000 PER ACCIDENT.
- (e) UMBRELLA LIABILITY OF \$1,000,000

13 CONFIDENTIALITY

13.1 Confidentiality

The parties acknowledge that, during the Term of this Agreement, each party may provide the other with or otherwise expose the other party to confidential and/or proprietary information, including but not limited to data, information, ideas, materials, specifications, procedures, software, technical processes and formulas, product designs, sales, cost and other unpublished financial information, product and business plans, usage rates, marketing data or other relevant information clearly intended to be confidential (collectively, "Confidential Information"). The parties agree that all Confidential Information disclosed by the other party shall be held in confidence and used only in performance of Services under this Agreement, and shall not be disclosed to any third parties other than NEC's subcontractor for this Services. The receiving party shall exercise the same standard of care to protect such Confidential Information as is used to protect its own proprietary data, but in no event, less than a reasonable standard of care. The existence and terms of this Agreement shall be held confidential by each party, as shall each party's confidential or proprietary information. NEC's performance, discounts, and prices under this Agreement or other correspondence between the parties, the quality of NEC's Services, and any data provided by NEC to Customer regarding performance of NEC's Services shall be deemed NEC's Confidential Information.

13.2 Exclusions

Confidential Information shall not include information which: (i) is or becomes known publicly through no fault of the receiving party; (ii) is learned by the receiving party from a third party entitled to disclose it; (iii) is already known to the receiving party before receipt from the disclosing party; (iv) is independently developed by the receiving party; or (v) must be disclosed by operation of law. The receiving party shall promptly notify the disclosing party of any such request for disclosure in order to allow the disclosing party full opportunity to seek the appropriate protective orders. In addition, NEC shall not be required to keep confidential any ideas, concepts, know-how, or techniques of general application relating to information monitoring, management or security submitted to NEC or developed by NEC personnel, either alone or jointly with Customer's personnel.

13.3 RESERVED

14 INDEPENDENT CONTRACTOR STATUS

NEC IS AN INDEPENDENT CONTRACTOR. THE PERSONNEL OF ONE PARTY SHALL NOT IN ANY WAY BE CONSIDERED AGENTS OR EMPLOYEES OF THE OTHER. TO THE EXTENT PROVIDED FOR BY LAW, EACH PARTY SHALL BE RESPONSIBLE FOR THE ACTS OF ITS OWN EMPLOYEES. EACH PARTY SHALL BE RESPONSIBLE FOR WORKERS' COMPENSATION COVERAGE FOR ITS OWN PERSONNEL.

15 RISK OF LOSS

NEC shall pass risk of loss to Customer upon Shipment. All Deliverables will be shipped via CPT destination. NEC will select the carrier for shipment and Customer will bear the shipping costs.

16 RECORDS AND AUDITS

To ensure compliance with this Agreement, including the Software License Agreement, upon thirty (30) days written notice, Customer grants to NEC and its agents the right to audit Customer's use of the Solution.

17 APPLICABLE LAWS AND DISPUTE RESOLUTION PROCEDURE

- (a) This Agreement shall be deemed to be made in, and shall be construed in accordance with the laws of, the State of Texas. The Uniform Computer Information Transactions Act does not apply to this Agreement or any change order.
- (b) Any controversy or claim arising out of or relating to this Agreement, or breach thereof, shall be settled in arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("Dispute Resolution Procedure"). Judgment upon any award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- (c) Before a demand for arbitration may be filed by either party, the management of both Parties shall have met at least two times in face-to-face meetings in an effort to resolve any dispute or controversy through normal business management practices. Unless otherwise

agreed to in writing, a minimum of one meeting shall take place at each party's home office location.

- (d) The arbitrator(s) shall have no power or authority to add to or detract from this Agreement of the parties. The arbitrator(s) shall have no authority to award damages over and above those provided for in this Agreement and in any event shall not exceed the limitations set forth herein, even if the remedy or limitation of liability provisions set forth in this Agreement shall for any reason whatsoever be held unenforceable or inapplicable.
- (e) Neither party nor the arbitrator(s) may disclose the existence or results of any arbitration hereunder, except if the arbitration results in a Court imposed judgment, the non-disclosure restriction shall not be effective to the extent the matter becomes a public record.
- (f) Each party shall bear its own costs in preparing for and conducting arbitration, except that the joint costs, if any, of the actual arbitration proceeding shall be shared equally by the parties.

18 CUSTOMER ACKNOWLEDGEMENTS

- (a) Customer agrees not to (i) rent, lease, or loan the Service or any part thereof, or provide or use the Service on a third party's behalf, if applicable; (ii) permit third parties to benefit from the use of the Service; (iii) reverse engineer, decompile, or disassemble any Software that provides the Service, or otherwise attempt to derive the source code of such Software; or (iv) download, export, or re-export any Software or technical data received hereunder, regardless of the manner in which received, without all required United States and foreign government licenses.
- (b) Customer complies with any applicable laws and regulations for using the Services and is solely responsible for complying with the legal obligations of all local country data protection legislation, in particular with the legality of transmission of data to NEC and the legal requirements for processing of data.
- (c) Customer is responsible for the management and maintenance of any non-hosted components according to their respective manufacturer specifications.
- (d) Customer agrees to provide all information, access and in good faith cooperate with NEC to deliver and provide the Services and agrees that NEC's delivery of the Services depends upon the Customer's timely cooperation and assistance as NEC may require. NEC shall bear no liability or otherwise be responsible for delays or failure in the provision of the Services caused by the Customer's failure to provide such cooperation, assistance or access.
- (e) Customer acknowledges that export laws and regulations of the United States and other relevant local export laws and regulations apply to the Solution. Customer agrees that such export control laws govern Customer's use of the Solution and Customer agrees to comply with all such export laws and regulations (including "deemed export" and deemed "re-export" regulations.) Customer agrees not export or re-export any System Hardware and/or Software outside of the jurisdiction in which you obtained it without the appropriate United States or foreign government licenses.

19 ASSIGNMENT

This Agreement may not be assigned in whole or in part by either party, without the further consent written consent of the other party, which shall not be unreasonably withheld.

20 WAIVER, VALIDITY AND SEVERABILITY

20.1 Waiver

The failure by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other Party at the time designated shall not be construed as a waiver of any such default or right to which the other Party is entitled, nor shall it in any way affect the right of the Party to enforce such provisions thereafter.

20.2 Validity

The invalidity of any provision of this Agreement shall not render the other provisions hereof invalid, unenforceable or illegal, unless the essential purposes of this Agreement shall be materially impaired thereby.

20.3 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement, if practicable, and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid in its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law. If any provision of this Agreement is adjudged void or invalid for any reason whatsoever, but would be valid if part of the wording thereof were deleted or changed, then such provision shall apply with such modifications as may be necessary to make it valid and effective.

21 NOTICES

NOTICE TO PARTIES

ALL NOTICES UNDER THIS AGREEMENT SHALL BE DELIVERED PERSONALLY, SENT BY CONFIRMED FACSIMILE TRANSMISSION, SENT BY NATIONALLY RECOGNIZED EXPRESS COURIER, OR SENT BY CERTIFIED OR REGISTERED U.S. MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESS SHOWN BELOW OR SUCH OTHER ADDRESS AS MAY BE SPECIFIED BY EITHER PARTY TO THE OTHER PARTY IN COMPLIANCE WITH THIS SECTION. NOTICES SHALL BE DEEMED EFFECTIVE ON PERSONAL RECEIPT, RECEIPT OF SUCH ELECTRONIC FACSIMILE WITH CONFIRMATION, TWO (2) DAYS AFTER SUCH DELIVERY BY COURIER, OR FOUR (4) DAYS AFTER SUCH MAILING BY U.S. MAIL, AS THE CASE MAY BE. NOTICES SHALL BE SENT AS FOLLOWS:

Notices to NEC shall be addressed to:

NEC Corporation of America
6535 N. State Hwy 161
Irving, TX 75039
Attn: Legal Division – Contract Administration Department

With a copy to:

NEC Corporation of America
10850 Gold Center Drive, Suite 200
Rancho Cordova, California 95670
Attn: VP, Biometrics

Notices to Customer shall be addressed to:

22 CAPTIONS AND SECTION HEADINGS

Captions and section headings used in this Agreement are for convenience only, are not a part of this Agreement, and shall not be used in construing this Agreement. If there is a conflict when referencing a section in this Agreement, between the section heading title and its number, the section heading title shall control.

23 FORCE MAJEURE

Neither party shall be liable for failure to perform under this Agreement, if its failure to perform arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, freight embargoes or acts of terrorism, but in every such case the failure to perform must be totally beyond the control and without any fault of the non-performing party.

24 NOTICE OF DELAYS

Exception as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall, within ten (10) Business Days, give notice thereof, including all relevant information with respect thereto, to the other party.

IN WITNESS WHEREOF, NEC and Customer by their duly authorized signatures have caused this Agreement to be effective on the day, month and year first above written.

{INSERT CUSTOMER NAME}:

By _____

Signature

Print Name

Title _____

NEC CORPORATION OF AMERICA

By _____

Signature

Print Name

Title _____

EXHIBIT A

PLACE HOLDER FOR STATEMENT OF WORK

SAMPLE

EXHIBIT B

PLACE HOLDER FOR PRICING AND PAYMENT SCHEDULE

Table 1: MONTHLY SERVICE FEES

INITIAL TERM:	
RENEWAL PERIODS:	

SERVICE FEE TERMS:

(a) TAXES.

ANY TAXES SHALL BE IN ADDITION TO THE SERVICE FEE LISTED AND IF REQUIRED TO BE COLLECTED OR PAID BY NEC SHALL BE PAID BY CUSTOMER TO NEC. IF CLAIMING A SALES TAX OR SIMILAR EXEMPTION, CUSTOMER MUST PROVIDE NEC WITH VALID TAX EXEMPTION CERTIFICATES.

(b) INVOICES.

ALL INVOICES WILL BE SENT TO CUSTOMER VIA EMAIL ("E-INVOICING") USING THE EMAIL ADDRESS(ES) OF THE CONTACT(S) PROVIDED TO NEC BY CUSTOMER BELOW, UNLESS CUSTOMER EXPRESSLY ELECTS TO OPT OUT OF E-INVOICING. CUSTOMER AGREES TO NOTIFY NEC IN WRITING, IF CUSTOMER CHANGES ITS CONTACT(S) FOR THE RECEIPT OF E-INVOICING. ALL PAYMENTS ARE TO BE MADE IN U.S. DOLLARS. PAYMENTS MAY BE MADE VIA APPROVED CREDIT CARDS AT THE TIME THE APPLICABLE ORDER IS PLACED. NEC'S REMITTANCE ADDRESS SHALL BE THE ADDRESS SPECIFIED WITHIN NEC'S INVOICES.

CUSTOMER'S ACCOUNTS PAYABLE CONTACT FOR E-INVOICING SHALL BE THE FOLLOWING:

NAME: _____

TITLE: _____

PHONE: _____

EMAIL: _____

EXHIBIT C

PLACE HOLDER FOR PROJECT SCHEDULE

SAMPLE

EXHIBIT D

PLACE HOLDER FOR SERVICE LEVEL AGREEMENT

SAMPLE

EXHIBIT E

PLACE HOLDER FOR ACCEPTANCE TEST PLAN

SAMPLE

EXHIBIT F

PLACE HOLDER FOR FINAL ACCEPTANCE FORM

SAMPLE

EXHIBIT G

NEC CORPORATION OF AMERICA

SOFTWARE LICENSE AGREEMENT

CAREFULLY READ THE FOLLOWING TERMS AND CONDITIONS. THE USE OF THE SOFTWARE WHICH IS LICENSED BY NEC CORPORATION OF AMERICA AND ITS LICENSORS TO YOU, FOR YOUR USE ONLY DURING THE TERM OF THE AGREEMENT AND AS SET FORTH BELOW.

1. LICENSE GRANT

Subject to the terms of this license and payment of the applicable license fees, NEC grants Customer a (subject to Section 6 (Termination) in Agreement), non-exclusive, non-transferable license for the following:

System License – to use the Software, including any System Documentation furnished under this Agreement, for Customer's own internal use on the Equipment;

Unit License – to install and use a copy of the Software on your workstation or mobile devices ("Units"), up to the permitted number of Units. The permitted number of Units shall be delineated at such time as Customer's elects to license the Software.

Archive License – If Archive component is included with your Software, the total number of users permitted to use the Archive component of the Software at the same time may not exceed the number of users delineated at such time as Customer's elects to license the Software.

2. RESTRICTIONS

CUSTOMER MAY NOT DO THE FOLLOWING: (I) MODIFY, ADAPT, TRANSLATE OR CREATE DERIVATIVE WORKS BASED UPON THE SOFTWARE; (II) REVERSE ENGINEER, DECOMPILE, DISASSEMBLE OR OTHERWISE ATTEMPT TO DISCOVER THE SOURCE CODE OF THE SOFTWARE EXCEPT TO THE EXTENT YOU MAY BE EXPRESSLY PERMITTED TO REVERSE ENGINEER OR DECOMPILE UNDER APPLICABLE LAW; (III) SELL, RENT, LEASE, TIMESHARE, PROVIDE SUBSCRIPTION SERVICES, LEND, SUBLICENSE, DISTRIBUTE, ASSIGN OR OTHERWISE TRANSFER ANY RIGHTS IN THE SOFTWARE; AND (IV) DISCLOSE OR PUBLISH RESULTS OF ANY BENCHMARK TESTS OF ANY SOFTWARE TO ANY THIRD PARTY WITHOUT NEC'S PRIOR WRITTEN CONSENT. CUSTOMER MAY MAKE ONE BACKUP COPY OF THE SOFTWARE PROVIDED YOUR BACKUP COPY IS NOT INSTALLED OR USED UNTIL NEEDED. CUSTOMER MAY NOT TRANSFER THE RIGHTS TO A BACKUP COPY.

3. INTELLECTUAL PROPERTY OWNERSHIP, RESERVATION OF RIGHTS

CUSTOMER ACKNOWLEDGES AND AGREES THAT (I) NEC AND ITS LICENSORS OWN AND SHALL RETAIN ALL RIGHTS, TITLE AND INTEREST IN AND TO THE SOFTWARE, INCLUDING WITHOUT LIMITATION, ALL INTELLECTUAL PROPERTY RIGHTS EMBODIED THEREIN; AND (II) THE SOFTWARE'S STRUCTURE,

ORGANIZATION, SEQUENCE AND SOURCE CODE ARE THE VALUABLE TRADE SECRETS AND CONFIDENTIAL INFORMATION OF NEC AND/OR ITS LICENSORS. THE SOFTWARE IS PROTECTED BY LAW, INCLUDING WITHOUT LIMITATION THE COPYRIGHT LAWS OF THE UNITED STATES AND OTHER COUNTRIES, AND BY INTERNATIONAL TREATY PROVISIONS. EXCEPT AS EXPRESSLY STATED HEREIN, THIS LICENSE DOES NOT GRANT CUSTOMER ANY INTELLECTUAL PROPERTY RIGHTS IN THE SOFTWARE AND ALL RIGHTS NOT EXPRESSLY GRANTED ARE RESERVED BY NEC AND ITS LICENSORS. CUSTOMER AGREES NOT TO REMOVE OR OBLITERATE ANY COPYRIGHT, TRADEMARK OR OTHER PROPRIETARY RIGHTS NOTICES CONTAINED IN OR ON THE SOFTWARE.

4. THIRD PARTY BENEFICIARIES

CUSTOMER ACKNOWLEDGES AND AGREES THAT NEC'S LICENSORS ARE DIRECT AND INTENDED THIRD PARTY BENEFICIARIES OF THIS SOFTWARE LICENSE AGREEMENT.

5. TERMINATION

THIS LICENSE WILL TERMINATE IMMEDIATELY BY NEC AS SPECIFIED IN SECTION 6 (TERMINATION) OF THE AGREEMENT, UPON SUCH TERMINATION, YOU SHALL IMMEDIATELY REMOVE AND DESTROY ALL COPIES OF THE SOFTWARE OR ANY PARTS THEREOF.

6. LIMITED WARRANTY

EXCEPT FOR THE WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT, NEC AND ITS LICENSORS EXPRESSLY DISCLAIM ALL OTHER WARRANTIES WITH RESPECT TO THE SOFTWARE, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON- INFRINGEMENT OF THIRD PARTY RIGHTS. NEC DOES NOT WARRANT THAT THE SOFTWARE WILL MEET YOUR REQUIREMENTS, OPERATE IN COMBINATION WITH OTHER PRODUCTS NOT PROVIDED BY NEC, BE UNINTERRUPTED, OPERATE ERROR FREE OR THAT THE ERRORS WILL BE CORRECTED.

7. LIMITATION OF LIABILITY

IN NO EVENT SHALL NEC OR IT'S LICENSORS BE LIABLE TO CUSTOMER FOR (I) ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR (II) ANY DAMAGES OR COSTS RESULTING FROM LOSS OF USE, GOODWILL, DATA, SAVINGS OR PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE WHICH MAY ARISE OUT OF THE USE OR PERFORMANCE OF THE SOFTWARE. IN NO EVENT WILL NEC'S OR IT'S LICENSORS' AGGREGATE LIABILITY FOR ANY CLAIM, WHETHER IN CONTRACT, TORT OR ANY OTHER THEORY, EXCEED THE SERVICE FEES PAID BY CUSTOMER.

8. U.S. GOVERNMENT RIGHTS

THE SOFTWARE WAS DEVELOPED ENTIRELY AT PRIVATE EXPENSE. THE SOFTWARE LICENSED UNDER THIS AGREEMENT IS "COMMERCIAL COMPUTER SOFTWARE" AS THE TERM IS DESCRIBED IN 48 C.F.R. 252.227-7014(A)(1). IF

ACQUIRED BY OR ON BEHALF OF A CIVILIAN AGENCY, THE U.S. GOVERNMENT ACQUIRES THIS COMMERCIAL COMPUTER SOFTWARE AND/OR COMMERCIAL COMPUTER SOFTWARE DOCUMENTATION SUBJECT TO THE TERMS OF THIS AGREEMENT AS SPECIFIED IN 48 C.F.R. 12.212 (COMPUTER SOFTWARE) AND 48 C.F.R. 12.211 (TECHNICAL DATA) OF THE FEDERAL ACQUISITION REGULATIONS ("FAR") AND ITS SUCCESSORS. IF ACQUIRED BY OR ON BEHALF OF ANY AGENCY WITHIN THE DEPARTMENT OF DEFENSE ("DOD"), THE U.S. GOVERNMENT ACQUIRES THIS COMMERCIAL COMPUTER SOFTWARE AND/OR COMMERCIAL COMPUTER SOFTWARE DOCUMENTATION SUBJECT TO THE TERMS OF THIS SOFTWARE LICENSE AGREEMENT AS SPECIFIED IN 48 C.F.R. 227.7202-3 OF THE DOD FAR SUPPLEMENT ("DFAR") AND ITS SUCCESSORS.

9. EXPORT

THE SOFTWARE SUPPLIED BY NEC UNDER THIS AGREEMENT IS SUBJECT TO EXPORT CONTROLS UNDER THE LAWS AND REGULATIONS OF THE UNITED STATES. CUSTOMER SHALL COMPLY WITH SUCH LAWS AND REGULATIONS GOVERNING EXPORT AND RE-EXPORT AND WILL OBTAIN ALL REQUIRED U.S. AND LOCAL AUTHORIZATIONS, PERMITS OR LICENSES.

10. GOVERNING LAW

THIS SOFTWARE LICENSE AGREEMENT WILL BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS, EXCLUDING THE APPLICATION OF ITS CONFLICTS OF LAW RULES. THE UNIFORM COMPUTER INFORMATION TRANSACTIONS ACT DOES NOT APPLY TO THIS AGREEMENT.